NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by 1st submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication.

Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the Register before beginning any proceedings for adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

NOTICE OF PROPOSED RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 6. DEPARTMENT OF ADMINISTRATION
PUBLIC BUILDINGS MAINTENANCE

PREAMBLE

1. Sections Affected / Rulemaking Action

R2-6-201	Repeal
R2-6-201	New Section
R2-6-202	Repeal
R2-6-202	New Section
R2-6-203	Repeal
R2-6-203	New Section
R2-6-204	Repeal
R2-6-204	New Section
R2-6-205	Repeal
R2-6-205	New Section
R2-6-206	Repeal
R2-6-206	New Section
R2-6-207	Repeal
R2-6-207	New Section
R2-6-208	Repeal
R2-6-208	New Section
R2-6-209	Repeal
R2-6-209	New Section

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

   Authorizing statutes: A.R.S. §§ 41-795 and 41-796

   Implementing statute: A.R.S. § 41-796

3. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

   Name: Scott Cooley

   Address: Department of Administration
   1400 West Washington, Suite 270
   Phoenix, Arizona 85007

   Telephone: (602) 542-2015

   Fax Number: (602) 542-1486

4. An explanation of the rule, including the agency's reasons for initiating the rule:

   The Department of Administration (Department) is updating and reorganizing this Chapter. Traffic and parking rules are being repealed and replaced by a new Article 2 which is more readable. Monetary penalties have been increased so that they are consistent with other jurisdictions in Arizona.

5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

   Not applicable.

6. **The preliminary summary of the economic, small business, and consumer impact:**
Minor modifications to Article 2, improving readability, will make the rules easier to use. Small businesses and consumers will benefit because the rules will be easier to use. Monetary penalties have been increased so that they are consistent with other jurisdictions in Arizona. The amount of each penalty is related to the rate of inflation and the severity of the violation.

7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name:	Joyce A. Hatcher
Address:	Department of Administration 1700 West Washington, Room B-15 Phoenix, Arizona 85007
Telephone:	(602) 542-0364
Fax Number:	(602) 542-0368

8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rules or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**
No oral proceedings are scheduled. The Department will schedule an oral proceeding on the proposed rules if a written request for the proceeding is submitted to the agency personnel listed in question #3 of this Preamble by at least 5 persons. Written comments on the proposed rules or preliminary economic, small business, and consumer impact statement may be submitted to the person listed above no later than 5 p.m., October 10, 1997.

9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
Not applicable.

10. **Incorporations by reference and their location in the rules:**
Not applicable.

11. **The full text of the rules follows:**

TITLE 2. ADMINISTRATION

CHAPTER 6. DEPARTMENT OF ADMINISTRATION PUBLIC BUILDINGS MAINTENANCE

ARTICLE 2. TRAFFIC AND PARKING

Section

ARTICLE 2. TRAFFIC AND PARKING

R2-6-201. Definitions

~~A. "Employee" means any person elected, appointed or employed by the state, either on a part-time or full-time basis, and whether paid by payroll or under contract.~~

~~B. "Motor vehicle" includes automobile, truck, motorcycle, motor scooter, motor bike, moped type vehicle, and any other motor-powered, passenger-carrying vehicle operated on land.~~

~~C. "Parking" refers to stopping, or standing, regardless of whether a vehicle is attended or unattended.~~

~~D. "Restricted area" includes any parking or space posted for either special assignment parking or a specific purpose which would exclude general parking.~~

~~E. "Service", except where otherwise specifically provided, is deemed completed when the decision or motion is deposited in the United States mail, first class, prepaid postage or by deposit in interoffice or intra-office mails.~~

~~E. "Visitor" refers to any person other than employees.~~

The following definitions apply in this Article:

1. "Citation" means a document, issued by the Department's Capitol Police under A.R.S. § 41-796, that contains a notice of hearing.
2. "Decal" means a graphic-designed label, placard, sticker, or tag which, when properly displayed, authorizes preferential parking privileges in state parking lots for the driver of a vehicle.
3. "Designate" means to identify with signs or markings.
4. "Employee" means any person elected, appointed, or employed by the state, either on a part-time or full-time basis, whether paid by payroll or under contract.
5. "Loading zone" means an area that is painted yellow, designating a place for business pickups and deliveries.
6. "No-parking zone" means an area that is painted red, designating a place where parking is not permitted.
7. "Parking" means stopping or placing a vehicle in an area, regardless of whether the vehicle is attended or unattended.
8. "Parking space" means a Department-designated area for parking a vehicle, outlined by painted white lines.
9. "Reserved parking space" means any parking space designated for a special purpose or a special class, such as physically disabled persons, travel reduction program participants, or visitors.
10. "Safety zone" means the area or space that is both:
    a. Officially set apart within a roadway for the exclusive use of pedestrians; and
    b. Protected, marked, or indicated by adequate signs as to be plainly visible at all times while set apart as a safety zone.

11. "Vehicle" has the meaning set forth in A.R.S. § 28-101 and includes a "motor vehicle," a term also defined in A.R.S. § 28-101.
12. "Visitor" refers to any person other than an employee.

R2-6-202. Parking areas

A. The Department of Administration will designate special parking areas for employees and visitors on state property.
   1. Visitors may park in designated visitor parking areas and unrestricted areas.
   2. Only employees and visitors who have been issued special assignment parking permits may park in restricted areas.
   3. Curbs painted red indicate "No Parking" zones. Curbs painted yellow indicate loading and unloading areas for business deliveries. Parking in yellow zones, or blocking loading docks or entrances to buildings and driveways, is prohibited.
   4. Driving or parking a vehicle in any area on state property which has been closed by the use of barricades, chains, or other traffic control devices is prohibited.
   5. Parking a vehicle on pedestrian paths, sidewalks, or safety zones is prohibited.
   6. Parking a vehicle in such a location as to obstruct a properly parked vehicle is prohibited.
   7. Parking a motorcycle, motor scooter, or motor bike in bicycle racks or areas is prohibited. Moped-type vehicles may park in open bicycle racks. Moped-type vehicles and bicycles may not park inside buildings or under breezeways.
   8. On special occasions, and in emergencies, parking limitations may be imposed by the Department of Administration as required by the particular circumstances.

B. Should it become necessary to park in an illegal manner, the Department of Administration Security Office must be contacted immediately for authorization.

R2-6-202. General Provisions

A. The state is not responsible for the care and protection of any vehicle and its contents at any time the vehicle is operated or parked on state property.

B. The person to whom a parking permit is issued is responsible for all parking violations involving the person's vehicle.

C. If parking lot or area reservation hours are altered, the Department shall post notices at the parking lot or area, and the changes are effective immediately.

R2-6-203. Special assignment parking permits

A. Parking in designated special areas without properly displaying an appropriate permit is prohibited.

B. Permits must be displayed as follows:
   1. Permits for physically handicapped persons: Staff with permanent or temporary physical handicaps may secure a permit which will be displayed in accordance with permit instructions.
   2. Rideshare permits: Permits for Rideshare parking will be displayed by suspending the permit from the rear vision mirror in such a manner that it is visible through the windshield. Rideshare permits can be obtained through the employee's agency.
   3. Courier permits: Permits for courier parking will be displayed by suspending the permit from the rear vision mirror in such a manner that it is visible through the windshield. Courier permits are issued through the employee's agency.
   4. Special use permits: Permits for special use are issued through the employee's agency with the approval of the Director of the Department of Administration and displayed by suspending the permit from the rear vision mirror or displaying it on the dash where it can be seen through the windshield.

R2-6-203. Parking Prohibitions

A. A person shall not park a vehicle in a:
   1. Bicycle rack or area;
   2. Loading zone, unless the person is making a pickup or delivery and the person's vehicle has commercial license plates or is state-owned. Loading zone parking is permitted during the time the person is actually engaged in loading or unloading;
   3. Location that is not designated as a parking space;
   4. No parking zone;
   5. Reserved parking space without authorization, unless the person is a visitor using parking reserved for visitors; or
   6. Safety zone.

B. A person shall not obstruct any of the following with a vehicle:
   1. Building entrance,
   2. Driveway,
   3. Fire lane,
   4. Loading dock, or
   5. Properly parked vehicle.

C. A person shall not drive or park a vehicle:
   1. On a pedestrian path or sidewalk; or
   2. In any area on state property closed by barricades, chain, tape, rope, traffic cones, or other traffic-control devices.

D. A person shall not park outside of the area designated by painted white lines when using a parking space.

E. In an emergency the Department may impose parking limitations or prohibitions required by the particular circumstances.

F. For special events the Department may impose parking limitations or prohibitions based on all of the following factors:
   1. Previous experience with similar events,
   2. Risk data.

R2-6-204. Operation of vehicles on State property

A. All state laws governing the movement and operation of motor vehicles are adopted by the Department of Administration for control of vehicles on state property and, accordingly, such laws are in force on such property.

B. A maximum speed limit of five (5) MPH will be enforced in all state parking lots.

C. All accidents involving moving vehicles which occur on state property must be reported immediately to the Department of Administration Security Office.

R2-6-204. Parking Decals

A. Unless the person is a visitor using parking reserved for visitors, the person shall properly display a reserved parking space decal in the manner prescribed in this Section to be authorized to park in a reserved parking space.

B. To park in a parking space reserved for the physically disabled, a person shall obtain a removable windshield placard or special plates, bearing the international symbol of access, from the Department of Transportation, Motor Vehicle Division, and display the placard or plates as prescribed in A.R.S. § 28-378.

C. A person with a decal for any other kind of reserved parking space shall display the decal from the rearview mirror, attach the decal to the left side of the windshield, or display the decal on the left side of the dashboard. The person shall ensure that the decal is visible through the windshield so it can be read by a someone standing outside the vehicle.

~~**R2-6-205. Penalties**~~

~~A. Violators of R2-6-102, R2-6-103, or R2-6-104 are subject to the monetary penalties prescribed herein.~~

~~B. Security Officers shall issue citations for parking and traffic violations according to the following schedule.~~

~~1.~~	~~Parking in a handicapped area~~	~~$35~~
~~2.~~	~~Parking violation of posted signs~~	~~$6~~
~~3.~~	~~Parking by staff in visitor areas~~	~~$6~~
~~4.~~	~~Parking on sidewalk or unauthorized area~~	~~$6~~
~~5.~~	~~Obstructing a drive or driveway~~	~~$6~~
~~6.~~	~~Obstructing a properly parked vehicle~~	~~$6~~
~~7.~~	~~Moving or crossing traffic control devices~~	~~$6~~
~~8.~~	~~Continuous parking in excess of posted limits~~	~~$6~~
~~9.~~	~~Parking outside stall lines~~	~~$6~~
~~10.~~	~~Improperly displaying parking permit~~	~~$6~~

~~C. The registered owner of the vehicle involved in a violation is presumed to be the operator of that vehicle.~~

~~D. All monetary penalties issued pursuant to subsection (B) shall be declared in default if not appealed according to procedures set forth in R2-6-107 or paid within ten working days of the issuance date of the citation. Notice of a monetary penalty declared in default shall be forwarded by the Department of Administration to the state agency that employs the employee who is named in the Notice as the registered owner or operator of the vehicle. The Department of Administration may take appropriate action to secure the collection of a monetary penalty declared in default whenever the registered owner of the vehicle is a visitor.~~

R2-6-205. Operation of Vehicles on State Property

A. All state laws governing the operation of vehicles are adopted by the Department for control of vehicles on state property.

B. A person driving or parking a vehicle on state property shall obey posted traffic and parking signs.

C. The Department's Capitol Police shall enforce a maximum speed limit of 5 miles per hour in all state parking lots.

D. Any person who has been in an accident involving a moving vehicle on state property shall immediately report the accident to the Department's Capitol Police.

~~**R2-6-206. Impoundment**~~

~~The Department of Administration will remove and impound any vehicle found on state property parked in a barricaded area, abandoned, or parked in such a way as to constitute a serious hazard or impediment to vehicular or pedestrian traffic or to the movement and operation of emergency equipment. In addition to the above, any person who habitually or flagrantly disregards the traffic and parking regulations will also have his/her vehicle subject to impoundment. The owner will be responsible for costs involved in removing, impounding and storage of such a vehicle.~~

R2-6-206. Penalties

A. The registered owner of a vehicle involved in an violation of R2-6-203, R2-6-204, or R2-2-205 shall pay the monetary penalties prescribed in this Section.

B. Capitol Police officers or Capitol Police security aides shall issue citations, containing the notice of hearing prescribed in A.R.S. § 41-1092.05, according to the following schedule:

1. Parking in a bicycle rack or area: $16.00.
2. Parking in a loading zone, in violation of R2-6-203(A)(2): $20.00.
3. Parking in a location that is not designated as a parking space: $20.00.
4. Parking in a no parking zone: $20.00.
5. Unauthorized parking in a space reserved for the physically disabled: $50.00.
6. Unauthorized parking in any other kind of reserved parking space: $16.00.
7. Parking in a safety zone: $20.00.
8. Obstruction of a building entrance, driveway, fire lane, loading dock, or properly parked vehicle: $20.00.
9. Driving or parking on a pedestrian path or sidewalk: $25.00.
10. Driving or parking in any area on state property closed by barricades, chain, tape, rope, traffic cones, or other traffic control devices: $25.00.
11. Parking outside of parking space lines: $16.00.
12. Improper display of a parking decal: $10.00.
13. Failure to obey a state law governing the operation of a vehicle while on state property: $16.00.
14. Failure to obey posted traffic or parking signs on state property: $16.00.
15. Exceeding the maximum speed limit of 5 miles per hour in a state parking lot: $16.00.
16. Failure to immediately report an accident involving a moving vehicle on state property to the Department's Capitol Police: $16.00.

C. The registered owner shall admit the violation and pay the appropriate monetary penalty to the Department within 10 business days from the issuance date of the citation or contest the citation under A.R.S. § 41-796 and the procedures set forth in R2-6-207. The owner may pay the penalty by checking the appropriate box and mailing the payment and citation to the Department, using the address printed on the citation. If the owner contests the citation and it is later determined that the owner violated this Article, the owner shall pay an additional monetary penalty of $20.00.

D. If the registered owner does not pay the monetary penalty within 10 business days and fails to request a hearing under R2-6-207, the Department shall treat the failure to respond as an admission of the violation, declare the penalty to be in default, and serve a notice of default on the owner with a bill for the amount of the original penalty and an additional monetary penalty of $20.00 for failure to respond. The Department may take appropriate action to collect these monetary penalties.

R2-6-207. Hearings

~~The owner or operator of a vehicle to whom the Department has issued a citation may request a hearing. Requests for hearings shall be in writing and must be received within five (5) working days of the issuance date of the citation at the Department of Administration, Operations Division, Capitol West Wing, Room 800, Phoenix, Arizona. Not later than thirty (30) days before the hearing, the Department shall notify the person requesting a hearing in writing of the time and place of the hearing. Hearings shall be conducted as contested cases pursuant to the provisions of the Arizona Administrative Procedure Act (A.R.S. Ti. 41, Ch. 6, Art. 1) applicable to contested cases.~~

A. The Department's Capitol Police shall request hearing dates from the Director of the Office of Administrative Hearings for the notice of hearing contained in each citation, according to A.R.S. § 41-1092.05.

B. For the purposes of this Article, service of the notice of hearing is deemed completed when the police officer issuing the citation secures it to the vehicle in a conspicuous place.

C. If a registered owner wishes to contest a citation, the owner shall request a hearing within 10 days after issuance of the notice prescribed in subsection (A) by checking the appropriate box and mailing the citation to the Department, using the address printed on the citation.

D. The Director or an administrative law judge from the Office of Administrative Hearings shall conduct each hearing as a con-

tested case in the manner prescribed in A.R.S. Title 41, Chapter 6. The Department shall serve its decision on the registered owner. If the Director or the administrative law judge determines that a violation has occurred and imposes a monetary penalty, a bill for the amount of the penalty shall be served with the decision. The Department may take appropriate action to collect any monetary penalty imposed.

R2-6-208. Rehearing

~~A.~~ ~~A party in a contested case before the Department who is aggrieved by a decision rendered in such case may file with the Department not later than ten (10) days after service of the decision, a written motion for rehearing or review of the decision specifying the particular grounds therefor.~~

~~B.~~ ~~A motion for rehearing under this rule may be amended at any time before it is ruled upon by the Department. A response may be filed within ten (10) days after service of such motion or amended motion by the Attorney General. The Department may require the filing of written briefs upon the issues raised in the motion and may provide for oral argument.~~

~~C.~~ ~~A rehearing of the decision may be granted for any of the following causes materially affecting the moving party's rights:~~

~~1. Irregularity in the proceedings before the Department or any order or abuse of discretion, whereby the moving party was deprived of a fair hearing;~~

~~2. Misconduct of the Department, its employees or its hearing officer;~~

~~3. Accident or surprise which could not have been prevented by ordinary prudence;~~

~~4. Newly discovered material evidence which could not with reasonable diligence have been discovered and produced at the original hearing;~~

~~5. Excessive or insufficient penalties;~~

~~6. Error in the admission or rejection of evidence or other error of law occurring at the hearing;~~

~~7. That the decision is not justified by the evidence or is contrary to law.~~

~~D.~~ ~~The Department may affirm or modify the decision or grant a rehearing as to all or any of the parties and on all or part of the issues for any of the reasons set forth in subsection (C). An order granting a rehearing shall specify with particularity the ground or grounds on which the rehearing is granted, and the rehearing shall cover only those matters so specified.~~

~~E.~~ ~~The Department, within the time for filing a motion for rehearing under this rule, may on its own initiative order a rehearing or review of its decision for any reason for which it might have granted a rehearing on motion of a party. After giving the parties notice and an opportunity to be heard on the matter, the Department may grant a motion for rehearing, timely served, for a reason not stated in the motion. In either case, the order granting such a rehearing shall specify the ground therefor.~~

~~F.~~ ~~When a motion for rehearing is based upon affidavits, they shall be served with the motion. The Attorney General may within ten (10) days after such service serve opposing affidavits.~~

A. A party in a contested case before the Department may file a motion for rehearing or review within 30 days after receiving the final administrative decision, as prescribed in A.R.S. § 41-1092.09. The party shall attach a supporting memorandum, specifying the grounds for the motion. A party is not required to file a motion for rehearing or review of the final administrative decision, entered under A.R.S. § 41-1092.08, in order to exhaust the party's administrative remedies.

B. Any other party may file a response within 5 days after service of a motion for rehearing or review. The party shall support the response with a memorandum discussing relevant legal and factual issues.

C. Any party may request oral argument.

D. The Director may grant a rehearing or review for any of the following causes materially affecting a part's rights:

1. Irregularity in the administrative proceedings or any order or abuse of discretion, which deprived the moving party of a fair hearing;
2. Misconduct of the Department, the administrative law judge, or the prevailing party;
3. Accident or surprise which could not have been prevented by ordinary prudence;
4. Newly discovered material evidence which could not, with reasonable diligence, have been discovered and produced at the hearing;
5. Excessive or insufficient penalties;
6. Error in the admission or rejection of evidence or other errors of law occurring at the hearing or during the progress of the proceeding;
7. That the findings of fact or decision are not justified by the evidence or are contrary to law.

E. The Director may affirm or modify the decision or grant a rehearing to all or any of the parties on all or part of the issues for any of the reasons set forth in subsection (D). An order modifying a decision or granting a rehearing shall specify with particularity the grounds for the order and any rehearing shall cover only those matters specified. The Director may grant a motion for rehearing or review, timely served, for a reason not stated in the motion.

F. Not later than 15 days after the date of the decision, the Director may grant a rehearing or review on the Director's own initiative for any reason for which the Director might have granted relief on motion of a party.

G. When a motion for rehearing or review is based upon affidavits, they shall be served with the motion. An opposing party may, within 5 days after such service, serve opposing affidavits.

H. The Director shall rule on the motion for rehearing or review within 15 days after it has been received, as prescribed in A.R.S. § 41-1092.09. If a rehearing is granted, the Department shall hold the rehearing within 30 days after the date on the order granting the rehearing.

~~**R2-6-209. General information**~~

~~A. The state will not assume responsibility for the care and protection of any vehicle and its contents at any time the vehicle is operated or parked on state property.~~

~~B. The person to whom a parking permit is issued is responsible for all parking violations involving his/her vehicle.~~

~~C. The temporary absence of a sign at the entrance or within a parking area does not signal the removal of reservation upon that area. If reservation hours are altered, notices will be posted at the parking lot or area, and the changes will be effective immediately.~~

R2-6-209. Removal of Vehicles from State Property

The Department shall remove any vehicle on state property parked in a barricaded area, abandoned, or parked in a manner that constitutes a hazard or impediment to vehicular or pedestrian traffic or to the movement and operation of emergency equipment. The owner of the vehicle shall pay for all costs of removal.

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 30. BOARD OF TECHNICAL REGISTRATION

PREAMBLE

1. Sections Affected — Rulemaking Action
   R4-30-106 — Repeal

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):
   Authorizing Statute: A.R.S. 32-106(D)
   Implementing Statute: A.R.S. 21-124

3. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:
   Name: LaVern Douglas
   Address: Board of Technical Registration
   1951 West Camelback, Suite 250
   Phoenix, Arizona 85015-3470
   Telephone: (602) 255-4053
   Fax Number: (602) 255-4051

4. An explanation of the rule, including the agency's reasons for initiating the rule:
   Fee schedule for applications, examinations, and miscellaneous services offered by the Board.

5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:
   Not applicable.

6. The preliminary summary of the economic, small business, and consumer impact:
   There is no anticipated impact from this change.

7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:
   Name: LaVern Douglas
   Address: Board of Technical Registration
   1951 West Camelback Road, Suite 250
   Phoenix, Arizona 85015-3470
   Telephone: (602) 255-4053
   Fax Number: (602) 255-4051

8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rules or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:
   None scheduled. Interested parties may request an oral proceeding by contacting LaVern Douglas at (602) 255-4053, Monday through Friday, 8 a.m. to 4 p.m.

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
   Not applicable.

10. Incorporations by reference and their location in the rules:
    None.

11. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 30. BOARD OF TECHNICAL REGISTRATION

ARTICLE 1. GENERAL PROVISIONS

Section
R4-30-106. ~~Fees~~ Repealed

ARTICLE 1. GENERAL PROVISIONS

R4-30-106. ~~Fees~~ Repealed

~~A. Application fees~~
~~1. Architect, assayer, engineer, geologist, landscape architect and land surveyor applications ..... $90~~
~~2. Architect-in-training, assayer-in-training, engineer-in-training, geologist-in-training, landscape architect-in-training and land surveyor-in-training applications ..... $30~~

~~B. Examination fees~~
~~1. Architect-in-training exam~~
~~a. Division D/E, structural technology -- general and long span (national exam) ... $85~~
~~b. Division E, structural technology -- lateral forces (national exam) ..... $85~~
~~c. Division G, mechanical, plumbing, electrical, and life safety systems (national exam) ..... $85~~
~~d. Division H, materials and methods (national exam) ..... $85~~
~~2. Professional architect exam~~
~~a. Division A, pre-design (national exam) .. $85~~
~~b. Division B, written site design (national exam) ..... $85~~
~~Division B, graphic site design (national exam) ..... $110~~
~~c. Division C, building design (national exam) ..... $170~~
~~d. Division I, construction documents and services (national exam) ..... $85~~
~~3. Assayer-in-training exam -- fundamentals (local exam) ..... $200~~
~~4. Professional assayer exam -- principles and practices (local exam) ..... $200~~
~~5. Engineer-in-training exam -- fundamentals (national exam) ..... $75~~
~~6. Engineer-in-training handbook ..... $5~~
~~7. Professional aeronautical, agricultural, civil, chemical control systems, electrical, environmental, fire protection, industrial, mechanical, metallurgical, mining, nuclear, petroleum and sanitary engineer exams -- principles and practices (national exam) ... $105~~
~~8. Professional geological engineer exams -- principals and practices (local exam) ..... $200~~
~~9. Professional structural engineer exam~~
~~a. Principles and practice structural I (national exam) ..... $105~~
~~b. Principles and practice structural II (national exam) ..... $145~~
~~10. Geologist-in-training exam -- fundamentals (national exam) ..... $195~~
~~11. Professional geologist exam -- principles and practices (national exam) ..... $195~~
~~12. Landscape architect-in-training exam~~
~~a. Test 2, Programming and environmental analysis (national exam) ..... $77~~
~~b. Test 3, Conceptualization and communication (national exam) ..... $127~~
~~c. Test 4, Design synthesis (national exam) ..... $123~~
~~13. Professional landscape architect exam~~
~~a. Test 1, Legal and administrative aspects of practice (national exam) ..... $70~~
~~b. Test 5, Integration of technical and design requirements (national exam) ... $138~~
~~c. Test 6, Grading and drainage (national exam) ..... $130~~
~~d. Test 7, Implementation of design through construction process (national exam) .... $90~~
~~14. Land surveyor-in-training exam -- fundamentals (national exam) ..... $85~~
~~15. Professional land surveyor exam~~
~~a. Principles and practices (national exam) ..... $105~~
~~b. Arizona surveying methods and legal principles (local exam) ..... $125~~
~~16. Proctoring fees:~~
~~a. National Council of Architectural Registration Boards examination ..... $75~~
~~b. Council of Landscape Architectural Registration Boards examination ..... $50~~

~~C. Renewal fees~~
~~Triennial renewal fee ..... $126~~

~~D. Miscellaneous fees~~
~~1. Roster of registrants ..... $12~~
~~2. Technical Registration Code and rules (beyond initial copy for registration purposes) ..... $4~~
~~3. Computer printout fee per name (non-commercial use) ..... $.10 with a minimum $50.00 and maximum $150.00 charge per computer run.~~
~~4. Copy fee per page (non-commercial use) ..... $.20~~
~~5. Replacement certificates ..... $10~~
~~6. Audio tapes copy fee (each) ..... $10~~
~~7. Local review of examination results by applicant ..... $25~~
~~8. Regrading of examination (if authorized by the Board)~~
~~a. National Council of Examiners for Engineering and Surveying Examination Cost per item challenged ..... $75~~
~~b. National Council of Architectural Registration Boards Examination per section ..... $100~~
~~c. Council of Landscape Architectural Registration Boards Examination Cost per test challenged ..... $80~~
~~d. All other examinations ..... $25~~
~~9. Returned check charge ..... $20~~
~~10. Fundamental of Engineering Supplied Reference Handbook ..... $5~~

~~E. Payment of fees shall be in United States dollars and may be in cash or check or money order; however, if a check is returned for insufficient funds, repayment, including payment of the returned check charge, shall be in cash or by money order or certified check.~~

~~F. Fee waiver. Upon written request, the Board shall waive renewal fees for registrants who are retired from active prac-~~

~~tice and who have attained the age of 65 or more years during the immediately preceding registration period.~~

~~G. Delinquency penalty. The penalty for late payment of renewal fees is $21.00 per year or any fraction of a year.~~

~~H. No application fee refunds will be allowed after the application has been assigned an application number and processing commences.~~

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

ADMINISTRATION

PREAMBLE

1. Sections Affected / Rulemaking Action

R9-22-101	Amend
R9-22-102	Amend
R9-22-103	New Section
R9-22-105	New Section
R9-22-107	New Section
R9-22-108	New Section
R9-22-109	New Section
R9-22-110	New Section
R9-22-112	New Section

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 36-2901.01(H)

Implementing statute: A.R.S. § 36-2901 establishes statutory definitions; this Section adds to those definitions.

3. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Cheri Tomlinson

Address: AHCCCS
801 East Jefferson, MD4200
Phoenix, Arizona 85027

Telephone: (602) 417-4198

Fax Number: (602) 256-6756

4. An explanation of the rule, including the agency's reasons for initiating the rule:

The rule package was initiated so that the AHCCCS acute care program definitions could be reevaluated at the same time the ALTCS definitions were reviewed. By running these 2 rule packages parallel to one another, the Administration can be certain that the definitions used by the agency are current and appropriate.

5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

6. The preliminary summary of the economic, small business, and consumer impact:

It is anticipated that the economic impact will be nominal because the proposed changes are nonsubstantive and are designed to provide clarity to the definitions used by the Administration in implementing the AHCCCS acute care program. In constructing the rule package, certain definitions were retained and stayed the same, while other definitions were deleted, added, or modified to match actual agency practice, update citations, or for clarification or compliance purposes.

The primary beneficiaries of the increased clarity and conciseness of the rules include:

AHCCCS health plans (including health plans that are governmental entities and private business entities);

AHCCCS providers (including providers that could be considered large (for example, hospitals) or small business (for example, individual doctor's offices) entities);

AHCCCS members;

the Indian Health Service; and

The Administration.

7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Cheri Tomlinson

Address: AHCCCS
801 East Jefferson, MD4200
Phoenix, Arizona 85027

Telephone: (602) 417-4198

Fax Number: (602) 256-6756

8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

The Department has scheduled the following public hearing:

Date: October 6, 1997

Time: 9 a.m.

Location: State Capitol, 1st Floor Conference Room
1700 West Washington
Phoenix, Arizona 85007

Nature: Public Hearing

A person may submit written comments on the proposed rules. The written comments should be submitted no later than 5:00 p.m., October 8, 1997, to the person listed in question #7 above.

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable.

10. Incorporations by reference and their location in the rules:

None.

11. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS) ADMINISTRATION

ARTICLE 1. DEFINITIONS

Section

R9-22-101. ~~Definitions~~ Location of Definitions
R9-22-102. Scope of Services-related Definitions
R9-22-103. Eligibility and Enrollment-related Definitions
R9-22-105. General Provisions and Standards-related Definitions
R9-22-107. Standard for Payments-related Definitions
R9-22-108. Grievance and Appeal Process-related Definitions
R9-22-109. Quality Control Review and Analysis-related Definitions
R9-22-110. 1st- and 3rd-Party Liability-related Definitions
R9-22-112. Behavioral Health Services-related Definitions

ARTICLE 1. DEFINITIONS

~~**R9-22-101. Definitions**~~

~~In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:~~

~~1. "Accommodation" means those bed and board services provided to a patient during a hospital stay and includes the cost of all staffing, supplies, and equipment. The accommodation is typically semi-private except when the member must be isolated for medical reasons. Other types of accommodation include hospital routine medical/surgical units, intensive care units, and any other specialty care unit where bed and board are provided. Accommodation does not include observation.~~

~~2. "Acute mental health services" means inpatient or outpatient health services provided to treat mental or emotional disorders, as necessary for crisis stabilization, evaluation, and determination of future service needs.~~

~~3. "AFDC" means Aid to Families with Dependent Children under Title IV-A of the Social Security Act, as amended.~~

~~4. "Aggregate" means the combined amount of hospital payments for covered services provided within the service area. It also applies outside the service area.~~

~~5. "AHCCCS" means the Arizona Health Care Cost Containment System which is composed of the Administration, contractors, and other arrangements through which health care services are provided to eligible persons.~~

~~6. "AHCCCS disqualified dependent" means a dependent child residing in a household with an AHCCCS disqualified spouse.~~

~~7. "AHCCCS disqualified spouse" means the spouse of an MI/MN or state emergency services applicant, who is ineligible for AHCCCS MI/MN or state emergency services benefits because the spouse's separate property, when combined with other resources owned by all household members, exceeds the allowable resource limit.~~

~~8. "AHCCCS hearing officer" means a person designated by the Director to preside over administrative hearings regarding eligibility appeals and grievances.~~

~~9. "AHCCCS inpatient hospital day(s) of care" means the period of time beginning with the day of admission and includes each day of an inpatient stay for an eligible per-~~

son, including the day of death, but excluding the day of discharge, provided that all medical necessity and medical review requirements have been met.

10. "Air ambulance" means a helicopter or fixed wing aircraft licensed under the Department of Health Services and A.R.S. Title 36, Chapter 21.1, as amended, to be used in the event of an emergency to transport eligible persons to obtain services.
11. "Ambulance" means any motor vehicle licensed pursuant to the Department of Health Services and A.R.S. Title 36, Chapter 21.1, especially designed or constructed, equipped and intended to be used, maintained and operated for the transportation of eligible persons requiring ambulance services.
12. "Ancillary department" means the department of a hospital that provides ancillary services and outpatient services, which are defined in the Medicare Provider Reimbursement Manual.
13. "Appeal" means a review process initiated in accordance with Article 8.
14. "Appellant" means any person or entity directly affected by an adverse action, policy, or decision who initiates an appeal process.
15. "Applicant" means a person who submits, or on whose behalf is submitted, a written, signed, and dated application for AHCCCS eligibility, but not for whom an eligibility determination has not been completed.
16. "Application" means an official request for AHCCCS benefits made in accordance with Article 3.
17. "Assignment" means enrollment of an eligible person with a contractor by the AHCCCS Administration.
18. "Billed charges" means charges that a hospital includes on a claim for providing hospital services to an eligible person consistent with the rates and charges filed by the hospital with the Department of Health Services.
19. "Capital costs" means capital-related costs which are defined in the Medicare Provider Reimbursement Manual, Chapter 28, such as building and fixtures, and movable equipment.
20. "Capped fee-for-service" means the payment mechanism by which contractors, subcontractors, and other providers of care are reimbursed upon submission of valid claims for specific AHCCCS covered services and equipment provided to eligible persons. Payments will be made in accordance with an upper, or capped, limit of payment as established by the Director.
21. "Case record" means the file and all documents contained therein which are used to establish eligibility.
22. "Casualty insurance" means liability insurance coverage related to injury due to accidents or negligence.
23. "Catastrophic coverage limitation" means the financial limit as determined by the Director, beyond which the contractor is not at risk to provide or make reimbursement for treatment of illness or injury to members which results from, or is greatly aggravated by, a catastrophic occurrence or disaster including, but not limited to, natural disaster or an act of war, declared or undeclared, which occurs subsequent to enrollment.
24. "Categorically eligible" means those persons who are eligible as defined by A.R.S. § 36-2901(4)(b) or who are receiving Medicaid coverage from another state or territory.
25. "Certification period" means the period of time for which a person is certified as eligible for AHCCCS benefits.
26. "Clean claim" means one that can be processed without obtaining additional information from the provider of the service or from a third party. It does not include a claim from a provider who is under investigation for fraud or abuse, or a claim under review for medical necessity.
27. "Continuous stay" means the period of time during which a member receives inpatient hospital services without interruption beginning with the day of admission and ending with the day of discharge or death of the member.
28. "Contract" means a written agreement entered into between a person, organization, or other entities and the Administration to provide health care services to members under the provisions of A.R.S. Title 36, Chapter 29, and these rules.
29. "Contractor" means a person, organization, or entity agreeing through a direct (prime) contracting relationship with the Administration to provide those goods and services specified by contract in conformance with the requirements of such contract and these rules.
30. "Contractor of record" means the organization or entity in which a member is enrolled for the provision of AHCCCS services.
31. "Copayment" means a monetary amount, specified by the Director, which the member pays directly to a contractor or provider at the time covered services are rendered.
32. "Cost-to-charge ratio" means a hospital's costs for providing covered services divided by the hospital's covered charges for the same services.
33. "County eligibility worker" means a county employee designated to conduct eligibility interviews and determinations for AHCCCS.
34. "Covered charges" means billed charges that represent necessary, reasonable, and customary items of expense for AHCCCS-covered services that meet medical review criteria of the Administration or contractor.
35. "Covered services" means those health and medical services described in Article 2.
36. "Current residence" means the current dwelling place of the family household whether it be a house, mobile home, trailer, hogan, tent, or any shelter used as a dwelling.
37. "DRI inflation factor" means the Data Resources Inc., Health Care Financing Administration-type hospital input price index for prospective hospital reimbursement which is published by DRI/McGraw-Hill.
38. "Date of application" means the date on which the county eligibility office receives a completed and signed Part I of the AHCCCS application form or receives official notification from a provider of emergency services as specified in Article 3.
39. "Date of determination" means the date on which a decision of the applicant's eligibility or ineligibility as an indigent or medically needy person, as an eligible low-income child, or as a state emergency services person is communicated by the county to the applicant by a Notice of Action and, for eligible applicants, to the Administration as specified in R9-22-334.
40. "Day" means a calendar day unless otherwise specified in the text.
41. "Deemed date of application" means the 30th day following either the original date of application or a previously deemed date of application. A deemed date of application is established for an untimely application and, for an untimely application, the deemed date shall replace the original date of application in determining the household's assets and resources and determining the household's income.
42. "Dependent child" means an unborn child or unemancipated person who is under the age of 18 or is age 18 if a

full-time student in a secondary school, or in a vocational, technical, or trade school that is directly linked to the high school for which the student is receiving credits to be applied toward graduation and who is reasonably expected to complete the program before reaching age 19.

43. "DES" means the Department of Economic Security.
44. "Determination" means the process by which an applicant is approved for coverage as an indigent or medically needy person, an eligible low-income child, or a state emergency services person. Determination includes the decision by the county of an applicant's eligibility or ineligibility, the communication, for eligible applicants, of the decision by the county to the AHCCCSA Notification Unit, and the communication of the decision by the county to the applicant by a Notice of Action.
45. "Diagnostic services" means those services provided for the purpose of determining the nature and cause of a condition, illness, or injury.
46. "Disenrollment" means the discontinuance of a member's entitlement to receive covered services from a specific AHCCCS contractor, and the member's name being deleted from the approved list of members furnished by the Administration to the contractor.
47. "Disqualified household member" means a person who is ineligible for indigent, medically needy, eligible low-income child, or state emergency services coverage due to a refusal to cooperate with the Title XIX eligibility process as required by state law.
48. "Eligible assistance children" means those children defined by A.R.S. § 36-2905.03(B).
49. "Eligible low-income children" means those defined by A.R.S. § 36-2905.03(C) and (D).
50. "Emancipated minor" means a person under age 18 who is married or divorced or in military service, or the subject of a court order declaring the minor to be emancipated (also see "Expressed emancipated minor").
51. "Emergency ambulance service" means:
a. Emergency transportation by a licensed ambulance or air ambulance company or persons requiring emergency medical services.
b. Emergency medical services which are provided before, during, or after such transportation by a certified ambulance operator or attendant.
52. "Emergency medical condition" means a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
a. Placing the patient's health in serious jeopardy;
b. Serious impairment to bodily functions; or
c. Serious dysfunction of any bodily organ or part.
53. "Emergency medical services" means services provided after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
a. Placing the patient's health in serious jeopardy;
b. Serious impairment to bodily functions; or
c. Serious dysfunction of any bodily organ or part.
54. "Encounter" means a record, submitted by a contractor and processed by AHCCCS, of medically related service or services that are rendered by a provider registered with AHCCCS to a member who is enrolled with the contractor on the date of service, and for which the contractor incurs any financial liability.
55. "Enrollment" means the process by which a person who has been determined eligible becomes a member of a contractor's plan under AHCCCS, pursuant to the limitations specified in these rules.
56. "E.P.S.D.T. services" means early and periodic screening, diagnosis, and treatment services for eligible persons under 21 years of age. For the purpose of these rules, the following meanings shall apply:
a. "Early" means, in the case of a family already enrolled in AHCCCS, as early as possible in the child's life or, in other cases, as soon as a family's eligibility for AHCCCS has been established.
b. "Periodic" means at appropriate intervals established by the Administration for screening to assure that a condition, illness, or injury is not incipient or present.
c. "Screening" means the use of quick, simple procedures carried out among large groups of people to sort out apparently well persons from those who may have a condition, illness, or injury and the identification of those in need of more definitive study. For the purposes of the AHCCCS program, screening and diagnosis are not synonymous.
d. "Diagnosis" means the determination of the nature or cause of a condition, illness, or injury through the combined use of health history, physical, developmental and psychological examination, laboratory tests, and X-rays.
e. "Treatment" means any type of health care or services recognized under the state Plan submitted pursuant to Title XIX of the Social Security Act to prevent or ameliorate a condition, illness, or injury or prevent or correct abnormalities detected by screening or diagnostic procedures.
57. "Equity" means the full cash or market value of a resource minus valid liens or encumbrances.
58. "Expressed emancipated minor" means a child whose parent or parents has or have signed a notarized affidavit indicating that the child is no longer under parental support and control, and that the parent or parents has or have surrendered claim to state and federal tax dependency deductions provided that the child is not living with a specified relative acting as a legal or de facto guardian and a court has not ordered custody with another person or agency.
59. "Facility" means any premise owned, leased, used, or operated directly or indirectly by or for a contractor or its affiliates for purposes related to a contract; or maintained by a provider to provide services on behalf of a contractor.
60. "Factor" means an organization, collection agency, service bureau, or individual who advances money to a provider for his or her accounts receivable which the provider has assigned, sold, or otherwise transferred, including transfer through the use of a power of attorney, to the organization or individual. The organization or individual receives an added fee or a deduction of a portion of the face value of the accounts receivable in return for the advanced money. For purposes of this paragraph, the term "factor" does not include business representatives, such as billing agents or accounting firms as described within these rules, or health care institutions.
61. "Fair consideration" means money, goods, or services which can be valued in terms of money that was received in exchange for property or resources transferred, and

that has a value equal to at least 80% of the property or resources transferred.

62. "Federal emergency services" means emergency medical services covered under 42 CFR 440.255, March 14, 1991, as described herein and on file with the Office of the Secretary of State, to treat an emergency medical condition for a person who is determined eligible pursuant to 42 CFR 435.406(b) and (c), March 14, 1991, as described herein and on file with the Office of the Secretary of State.
63. "Full cash value" means the current value on homes and other real properties as determined by the County Assessor's Office for the county in which the real property is located.
64. "Generic drug" means the chemical or generic name, as determined by the United States Adopted Names Council (U.S.A.N.C.) and accepted by the federal Food and Drug Administration (FDA), of those drug products having the same active ingredients as prescribed brand name drugs.
65. "Grievance" means a complaint arising from an adverse action, decision, or policy by a contractor, subcontractor, noncontracting provider, nonprovider, county, or the Administration, presented by a person or entity as specified by Article 8.
66. "Gross business receipts" means the total cash received from the business activity.
67. "Gross earnings from employment" means the total payment received by an employee from an employer in exchange for goods or services.
68. "Head of household" means the family household member who assumes the responsibility for providing AHCCCS eligibility information for the family household members in accordance with Article 3 of these rules.
69. "Hearing aid" means any wearable instrument or device designed for, or represented as aiding or compensating for impaired or defective human hearing, and any parts, attachments, or accessories of such instrument or device.
70. "High-risk pregnancy" means a pregnancy in which the mother, fetus, or newborn is or will be at increased risk for morbidity or mortality before or after delivery.
71. "Hospital" means a health care institution that is licensed as a hospital by the Department of Health Services under A.R.S. Title 36, Chapter 4, Article 2, and certified as a provider under Title XVIII of the Social Security Act, as amended, or is currently determined to meet the requirements of certification.
72. "ICU" means the intensive care unit of a hospital.
73. "Incapacitated person" means any person who is mentally or physically impaired to the extent that he or she is unable to make or communicate responsible decisions concerning his or her person.
74. "Income in kind" means any non-cash item or service received by an individual from a person or organization.
75. "Indigent" means persons meeting income and resource criteria pursuant to A.R.S. § 11-297.
76. "Inmate of a public institution" means a person defined by 42 CFR 435.1009, May 20, 1991, as described herein and on file with the Office of the Secretary of State.
77. "Interim change" means either a change occurring after the date of application and before the eligibility decision or a change occurring during the certification period.
78. "Legal guardian, conservator, executor, or public fiduciary" means a person appointed by a court or other protective order to be in charge of the affairs of a minor or incapacitated person.
79. "Legend drugs" means those drugs which under federal or state law or regulations may be dispensed only by prescription.
80. "Liquid assets" means all property and resources readily convertible to cash excluding a house or vehicle owned by a family household member.
81. "Medicare crossover" means a claim for services covered by Medicare for an eligible person with Medicare coverage.
82. "Medical education costs" means direct hospital costs for intern and resident salaries, fringes, and program costs, nursing school education, and paramedical education, which is defined in the Medicare Provider Reimbursement Manual, Chapter 28.
83. "Medical equipment" means durable items and appliances that can withstand repeated use, are designed primarily to serve a medical purpose, and are not generally useful to a person in the absence of a medical condition, illness, or injury. This definition includes, but is not limited to, such items as bedpans, hospital beds, wheelchairs, crutches, trapeze bars, and oxygen equipment.
84. "Medical record" means a single, complete record kept at the site of the eligible person's primary care physician which documents the medical services received by the eligible person, including inpatient discharge summary, outpatient, and emergency care.
85. "Medical review" means a review involving clinical judgment of a claim or a request for a service before or after it is paid or rendered to ensure that services provided to eligible persons are medically necessary and are covered services and that required authorizations are obtained by the provider before and while the service is rendered. The criteria for medical review are established by the Administration or contractor based on medical practice standards that are updated periodically to reflect changes in medical care.
86. "Medical services" means services pertaining to medical care that are performed at the direction of a physician, on behalf of eligible persons by physicians, dentists, nurses, or other health related professional and technical personnel.
87. "Medical supplies" means consumable items which are designed specifically to meet a medical purpose.
88. "Medically necessary" means those covered services provided by a physician or other licensed practitioner of the healing arts within the scope of their practice under state law to:
    a. Prevent disease, disability, and other adverse health conditions or their progression, or
    b. Prolong life.
89. "Medically necessary dentures" means partial or full dentures and services that are determined to be the primary treatment of choice or an essential part of an overall treatment plan designed to alleviate a medical condition as determined by the primary care provider in consultation with the provider dentist.
90. "Medically necessary sterilization" means sterilization to:
    a. Prevent progression of disease, disability, or adverse health conditions;
    b. Prolong life and promote physical health. Sterilization for family planning is not included.
91. "Minor" means an unemancipated person who is under age 18.
92. "New hospital" means any hospital for which Medicare Cost Report data and claim and encounter data are not available for hospital rate development from any owner

or operator of the hospital, during either the initial prospective rate year or rebasing.

93. "NICU" means the neonatal intensive care unit of a hospital that has been classified as a Level II or Level III perinatal center by the Arizona Perinatal Trust.

94. "Noncontracting provider" means a provider who has a contract or subcontract with the system and renders covered services to an eligible person for whom such provider bears no contractual obligation.

95. "Nursing facility (NF)" means an institution (or distinct part of an institution) defined by Section 1919(a) of the Social Security Act, October 1, 1990, as described herein and on file with the Office of the Secretary of State.

96. "Open enrollment" means a period of time during which all currently enrolled members may select membership with another AHCCCS contractor when such choice is available.

97. "Operating costs" means allowable accommodation and ancillary department hospital costs excluding capital and medical education costs.

98. "Outlier" means a hospital claim or encounter in which the AHCCCS inpatient hospital days of care have operating costs per day that meet the criteria described in R9-22-712(A)(6).

99. "Outpatient health services" means those preventive, diagnostic, rehabilitative, or palliative items or services which are ordinarily provided in hospitals, clinics, physicians' offices, and rural clinics, by licensed health care providers by, or under the direction of a physician or practitioner, to an outpatient.

100. "Outpatient hospital service" means a service provided in an outpatient hospital setting that does not result in an admission.

101. "Ownership change" means a change in a hospital's owner, lessor, or operator which is defined in 42 CFR 489.18(A).

102. "Palliative services" means those services required to reduce the severity or relieve the symptoms of a condition, illness, or injury.

103. "Peer group" means hospitals that share a common, stable, and independently definable characteristic or feature which significantly influences the cost of providing hospital services.

104. "Pharmaceutical services" means medically necessary drugs prescribed by a primary care physician, a practitioner, or other physician or dentist upon referral by a primary care physician and dispensed in accordance with these rules.

105. "Pharmacist" means a person licensed as a pharmacist under A.R.S. Title 32, Chapter 18.

106. "Pharmacy" means an establishment where prescription orders are compounded and dispensed by, or under the direct supervision of, a licensed pharmacist and which is registered pursuant to A.R.S. Title 32, Chapter 18.

107. "Physicians' Current Procedural Terminology" (CPT) means the manual published and updated by the American Medical Association, which is a nationally accepted listing of descriptive terms and identifying codes for reporting medical services and procedures performed by physicians and provides a uniform language that will accurately designate medical, surgical, and diagnostic services.

108. "Physician services" means services provided within the scope of practice of medicine or osteopathy as defined by state law or by or under the personal supervision of an individual licensed under state law to practice medicine or osteopathy.

109. "Practitioner" means physicians' assistants and registered nurse practitioners who are certified and practicing in an appropriate affiliation with a primary care physician as authorized by law.

110. "Prepayment" means an arrangement in which a contractor agrees to provide health care services for a prospective, predetermined, periodic, fixed subscription premium.

111. "Prescription" means an order to a provider for covered services, which is signed or transmitted by a provider authorized to prescribe or order such services.

112. "Preventive health care" means those health care activities aimed at protection against, and early detection and minimization of, disease or disability.

113. "Prior authorization" means the process by which the Administration or contractor, whichever is applicable, authorizes in advance the delivery of covered services contingent on their medical necessity.

114. "Prospective rates" means inpatient or outpatient hospital rates defined in advance of a payment period and representing full payment for covered services excluding any quick-pay discounts, slow-pay penalties, non-categorical discounts, and third-party payments regardless of billed charges or individual hospital costs.

115. "Prospective rate year" means the period from October 1 of each year to September 30 of the following year, except for the initial prospective rate year which is between March 1, 1993, and September 30, 1994.

116. "Public assistance" means benefits provided to a person either directly or indirectly by a city, county, federal, or state governmental agency based on financial needs.

117. "Quality management" means a methodology used by professional health personnel that assesses the degree of conformance to desired medical standards and practices; and activities designed to improve and maintain quality service and care, performed through a formal program with involvement of multiple organizational components and committees.

118. "Radiological services" means professional and technical x-ray and radioisotope services ordered by a physician or other licensed health professional for diagnosis, prevention, treatment, or assessment of a medical condition. Radiological services include portable x-ray, radioisotope, medical imaging, and radiation oncology.

119. "Rebasing" means the process by which new Medicare Cost Report data and AHCCCS claim and encounter data are collected and analyzed to reset periodically the inpatient hospital tiered per diem rates or the outpatient hospital cost-to-charge ratios.

121. "Redetermination" means the process by which an AHCCCS member re-applies for a new eligibility certification period prior to the expiration of the current certification period.

122. "Refusal to cooperate" means that a person has refused to be interviewed by or has failed to provide information or available verification to county or DES eligibility staff or an eligibility quality control reviewer, or has refused to sign the Intent to Cooperate Form, or has failed to keep a scheduled appointment without providing a reasonable explanation, or has voluntarily withdrawn from the application for federal benefits when such an application is required by state law.

123. "Rehabilitation services" means physical and respiratory therapy, audiology services, and other restorative services

and items, excluding outpatient speech and occupational therapy and hearing aids for eligible persons 21 years and older, required to reduce physical disability and restore the eligible person to an optimal functional level.

124. "Residual services" means all services not covered by AHCCCS that were available to county eligible individuals through county indigent medical care programs on January 1, 1981.

125. "Retroactive coverage for medically needy, medically indigent, eligible low-income children, or state emergency services persons" means the 2-day period prior to the date of determination during which AHCCCS is responsible for payment of emergency services which are not used to meet the household's spenddown liability.

126. "Same day admit/discharge (SDAD)" means a hospital stay with the admit and discharge occurring on the same calendar day.

127. "Scope of services" means those covered, limited, and excluded services set forth in Article 2 of these rules.

128. "Separate property" means real and personal property of a spouse, owned by such spouse before the marriage, or acquired by gift, devise, or descent after the marriage.

129. "Service area" means the geographical area designated by the Administration within which a contractor shall provide, directly or through subcontract, covered health care services to members.

130. "Service location" means any location at which a member obtains any health care service provided by the contractor under the terms of a contract.

131. "Service site" means the location designated by the contractor at which members shall receive services from a primary care physician.

132. "Sick newborn" means an infant who is hospitalized from the date of birth and who meets one or more of the following:
   a. Had a birth weight less than 1500 grams; or
   b. Has a deteriorating or unstabilized condition requiring admission within 72 hours of birth to a level III perinatal care center, as defined by the Arizona Perinatal Trust, Recommendations and Guidelines for Perinatal Care Centers in Arizona, 1987, as described herein and on file with the Office of the Secretary of State; copies also are available at the central office of the AHCCCS Administration; or
   c. Has respiratory distress syndrome requiring ventilator support; or
   d. Has significant medical problems requiring care for more than 72 hours in a level II or level III perinatal care center, as defined by the Arizona Perinatal Trust, Recommendations and Guidelines for Perinatal Care Centers in Arizona, 1987, as described herein and on file with the Office of the Secretary of State; copies also are available at the central office of the AHCCCS Administration.

133. "S.O.B.R.A." means Section 9401 of the Sixth Omnibus Budget Reconciliation Act, 1986, as amended by the Medicare Catastrophic Coverage Act of 1988, 42 U.S.C. 1396a(a)(10)(A)(ii)(IX), July 1, 1988, as described herein and on file with the Office of the Secretary of State.

134. "Specialist" means a Board eligible or certified physician who declares himself or herself as such and practices a specific medical specialty.

135. "Social Security Administration (SSA)" means an agency of the federal government responsible for administering certain titles of the Social Security Act, as amended.

136. "Specified relative" means a nonparent caretaker of a dependent child who is a grandmother, grandfather, sister, brother, stepmother, stepfather, aunt, uncle, 1st cousin, niece, nephew, or person of preceding generations. A specified relative must be 18 or over to apply on behalf of a dependent child, unless awarded custody by a court.

137. "Spend down" means the dollar value of incurred medical expenses that the family household must have in order to bring their net annual income within the eligibility income limit.

138. "Spouse" means the husband or wife of an AHCCCS applicant or household member, who has entered into a contract of marriage, recognized as valid by the state of Arizona.

139. "State emergency services" means emergency medical services to treat an emergency medical condition, which services are covered under R9-22-217 for a person who is determined eligible pursuant to A.R.S. § 36-2905.05.

140. "Subcontract" means an agreement entered into by a contractor with any of the following:
   a. A provider of health care services who agrees to furnish covered services to members.
   b. A marketing organization.
   c. Any other organization or person who agrees to perform any administrative function or service for the contractor specifically related to securing or fulfilling the contractor's obligations to the Administration under the terms of a contract.

141. "SSI" means Supplemental Security Income under Title XVI of the Social Security Act, as amended.

142. "Third party" means any individual, entity, or program that is or may be liable to pay all or part of the medical cost of injury, disease, or disability of an AHCCCS applicant or member.

143. "Tier" means a grouping of inpatient hospital services into levels of care based on diagnosis, procedure or revenue codes, peer group, or NICU classification level, or any combination of these items.

144. "Tiered per diem" means a payment structure in which payment is made on a per-day basis depending upon the tier into which an AHCCCS inpatient hospital day of care is assigned.

145. "Third party liability" means the resources available from a person or entity that is or may be, by agreement, circumstance or otherwise, liable to pay all or part of the medical expenses incurred by an AHCCCS applicant or eligible person.

146. "Total inpatient hospital days" means the total number of days, including all hospital subprovider and nursery days from the Medicare Cost Report for all payors. Observation days and swing bed days are not included.

147. "Untimely application" means an MI/MN application for which the date of determination is later than the 30th day following the date of application or, if the head of the household has agreed in writing to an extension, later than the 60th day following the date of application. For MI/MN-S.O.B.R.A. dual applications, when the completed application has been submitted to DES within 30 days after the date of application but DES has not determined S.O.B.R.A. eligibility within 30 days after the date of application, the application for those household members for whom S.O.B.R.A. eligibility is being determined is not an untimely application if the date of determination is not later than the 10th working day after a determination of S.O.B.R.A. eligibility has been made by DES or

~~the 20th working day after the application was forwarded to DES, whichever is earlier.~~

~~148. "Utilization control" means the overall accountability program encompassing quality management and utilization review.~~

~~149. "Utilization review" means a methodology used by professional health personnel that assesses the medical indications, appropriateness, and efficiency of care provided.~~

~~150. "Work-related expenses" means non-reimbursed expenses related to employment for travel, meals, lodging, uniforms, licenses for employment, union dues, tools, or material required for employment.~~

R9-22-101. Location of Definitions

A. Location of definitions. Definitions applicable to Chapter 22 are found in the following:

	Definition	Section or Citation
1.	"1st-party liability"	R9-22-110
2.	"3rd-party"	R9-22-110
3.	"3rd-party liability"	R9-22-110
4.	"Accommodation"	R9-22-107
5.	"Acute mental health services"	R9-22-112
6.	"AFDC"	R9-22-101
7.	"Aggregate"	R9-22-107
8.	"AHCCCS"	R9-22-101
9.	"AHCCCS-disqualified dependent"	R9-22-103
10.	"AHCCCS-disqualified spouse"	R9-22-103
11.	"AHCCCS hearing officer"	R9-22-108
12.	"AHCCCS-inpatient hospital days of care"	R9-22-107
13.	"Ambulance"	R9-22-102
14.	"Ancillary department"	R9-22-107
15.	"Appeal"	R9-22-108
16.	"Applicant"	R9-22-101
17.	"Application"	R9-22-101
18.	"Assignment"	R9-22-101
19.	"Billed charges"	R9-22-107
20.	"Capital costs"	R9-22-107
21.	"Capped fee-for-service"	R9-22-101
22.	"Case record"	R9-22-103
23.	"Categorically eligible"	A.R.S. § 36-2901(4)(h)
24.	"Certification error"	A.R.S. § 36-2905.01
25.	"Certification period"	R9-22-103
26.	"Clean claim"	A.R.S. § 36-2904
27.	"Contract"	R9-22-101
28.	"Contractor"	R9-22-101
29.	"Contractor of record"	R9-22-101
30.	"Copayment"	R9-22-107
31.	"Cost-to-charge ratio"	R9-22-107
32.	"County eligibility worker"	R9-22-103
33.	"Covered charges"	R9-22-107
34.	"Covered services"	R9-22-102
35.	"CPT"	R9-22-107
36.	"Date of application"	R9-22-103
37.	"Date of determination"	R9-22-103
38.	"Day"	R9-22-101
39.	"Deemed date of application"	R9-22-103
40.	"Dentures"	R9-22-102
41.	"Dependent child"	R9-22-103
42.	"DES"	R9-22-103
43.	"Determination"	R9-22-103
44.	"Diagnostic services"	R9-22-102
45.	"Disenrollment"	R9-22-103
46.	"Disqualified household member"	R9-22-103
47.	"DME"	R9-22-102
48.	"DRI inflation factor"	R9-22-107
49.	"E.P.S.D.T. services"	R9-22-102
50.	"Eligible assistance children"	A.R.S. § 36-2905.03(B)
51.	"Eligible low income children"	A.R.S. § 36-2905.03(C) and (D)
52.	"Eligible person"	A.R.S. § 36-2901
53.	"Emancipated minor"	R9-22-103
54.	"Emergency medical condition"	42 U.S.C. 1396b(v)
55.	"Emergency medical services"	R9-22-102
56.	"Encounter"	R9-22-107
57.	"Enrollment"	R9-22-103
58.	"Equity"	R9-22-103
59.	"Expressed emancipated minor"	R9-22-103
60.	"Facility"	R9-22-101
61.	"Factor"	R9-22-101
62.	"Fair consideration"	R9-22-103
63.	"Federal emergency services program"	R9-22-101
64.	"Full cash value"	R9-22-103
65.	"Grievance"	R9-22-108
66.	"Gross earnings from employment"	R9-22-103
67.	"GSA"	R9-22-101
68.	"Guardian"	R9-22-103
69.	"Head of household"	R9-22-103
70.	"Hearing aid"	R9-22-102
71.	"Home health services"	R9-22-102
72.	"Hospital"	R9-22-101
73.	"ICU"	R9-22-107
74.	"Incapacitated person"	R9-22-103
75.	"Income in kind"	R9-22-103
76.	"Indigent"	A.R.S. § 11-297
77.	"Inmate of a public institution"	42 CFR 435.1009
78.	"Interim change"	R9-22-103
79.	"License or licensure"	R9-22-101
80.	"Liquid assets"	R9-22-103
81.	"Medical education costs"	R9-22-107
82.	"Medical record"	R9-22-101
83.	"Medical review"	R9-22-107
84.	"Medical services"	R9-22-101
85.	"Medical supplies"	R9-22-102
86.	"Medically necessary"	R9-22-101
87.	"Medicare crossover"	R9-22-107
88.	"Medicare HMO"	R9-22-101
89.	"Minor"	R9-22-103
90.	"New hospital"	R9-22-107
91.	"NF"	42 U.S.C. 1396r(a)
92.	"NICU"	R9-22-107
93.	"Noncontracting provider"	A.R.S. § 36-2931
94.	"Occupational therapy"	R9-22-102
95.	"Open enrollment"	R9-22-103
96.	"Operating costs"	R9-22-107
97.	"Outlier"	R9-22-107
98.	"Outpatient hospital service"	R9-22-107
99.	"Ownership change"	R9-22-107
100.	"Peer group"	R9-22-107
101.	"Pharmaceutical service"	R9-22-102
102.	"Physical therapy"	R9-22-102
103.	"Physician"	A.R.S. Title 32, Ch. 13 or 17
104.	"Practitioner"	A.R.S. Title 32, Ch. 15 or 25
105.	"Prescription"	R9-22-102
106.	"Primary care provider"	R9-22-102
107.	"Primary care provider services"	R9-22-102
108.	"Prior authorization"	R9-22-102
109.	"Private duty nursing services"	R9-22-102

110. "Prospective rates"	R9-22-107
111. "Prospective rate year"	R9-22-107
112. "Public assistance"	R9-22-103
113. "Quality management"	R9-22-105
114. "Radiology services"	R9-22-102
115. "Rebasing"	R9-22-107
116. "Redetermination"	R9-22-103
117. "Referral"	R9-22-101
118. "Refusal to cooperate"	R9-22-103
119. "Rehabilitation services"	R9-22-102
120. "Reinsurance"	R9-22-107
121. "RFP"	R9-22-105
122. "Respiratory therapy"	R9-22-102
123. "Scope of services"	R9-22-102
124. "SDAD"	R9-22-107
125. "Separate property"	R9-22-103
126. "Service location"	R9-22-101
127. "Service site"	R9-22-101
128. "S.O.B.R.A."	R9-22-103
129. "Specialist"	R9-22-102
130. "Specified relative"	R9-22-103
131. "Speech therapy"	R9-22-102
132. "Spend down"	R9-22-103
133. "Spouse"	R9-22-103
134. "SSA"	P.L. 103-296, Title I
135. "SSI"	R9-22-103
136. "State emergency services program"	R9-22-101
137. "Sterilization"	R9-22-102
138. "Subcontract"	R9-22-101
139. "Tier"	R9-22-107
140. "Tiered per diem"	R9-22-107
141. "Total inpatient hospital days"	R9-22-107
142. "Untimely application"	R9-22-103
143. "Utilization management"	R9-22-105
144. "Work-related expenses"	R9-22-103

B. General definitions. In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "AFDC" means Aid to Families with Dependent Children under Title IV-A of the Social Security Act, as amended.
2. "AHCCCS" means the Arizona Health Care Cost Containment System which is composed of the Administration, contractors, and other arrangements through which health care services are provided to an eligible person and member.
3. "Applicant" means a person who submits, or on whose behalf is submitted, a written, signed, and dated application for AHCCCS which has either been completed or has been denied.
4. "Application" means an official request for AHCCCS benefits made in accordance with Article 3.
5. "Assignment" means enrollment of an eligible person with a contractor by the AHCCCS Administration.
6. "Capped fee-for-service" means the payment mechanism by which providers of care are reimbursed upon submission of valid claims for specific AHCCCS-covered services and equipment provided to eligible persons. Payments will be made in accordance with an upper, or capped, limit of payment as established by the Director.
7. "Continuous stay" means the period of time which an eligible person or member receives inpatient hospital services without interruption, beginning with the day of admission and ending with the day of discharge or date of death.
8. "Contract" means a written agreement entered into between a person, organization, or other entities and the Administration to provide health care services to members under the provisions of A.R.S. Title 36, Chapter 29 and these rules.
9. "Contractor" means a person, organization, or entity agreeing through a direct contracting relationship with the Administration to provide those goods and services specified by contract in conformance with the requirements of such contract and these rules.
10. "Contractor of record" means the organization or entity in which a member is enrolled for the provision of AHCCCS services.
11. "Day" means a calendar day unless otherwise specified in the text.
12. "Eligible person" as defined in A.R.S. § 36-2901(4).
13. "Facility" means buildings or portions of buildings licensed or certified by the Arizona Department of Health Services as a health care institution, according to A.R.S. Title 36, Chapter 4, to provide medical services, nursing services, or other health care, or health-related services.
14. "Factor" means an organization, collection agency, service bureau, or individual who advances money to a provider for the provider's accounts receivable which the provider has assigned, sold, or otherwise transferred, including transfer through the use of a power of attorney, to the organization or individual. The organization or individual receives an added fee or a deduction of a portion of the face value of the accounts receivable in return for the advanced money. For purposes of this subsection, the term "factor" does not include business representatives, such as billing agents or accounting firms as described within these rules, or health care institutions.
15. "Federal emergency services program" is a program designed to provide emergency medical services covered under 42 U.S.C. 1396b(v), to treat an emergency medical condition for a categorically eligible person who is determined eligible according to A.R.S. § 36-2903.03.
16. "GSA" means a geographical service area designated by the Administration within which a contractor of record shall provide, directly or through subcontract, covered health care services to members enrolled with that contractor of record.
17. "Hospital" means a health care institution that is licensed as a hospital by the Arizona Department of Health Services under A.R.S. Title 36, Chapter 4, Article 2, and certified as a provider under Title XVIII of the Social Security Act, as amended, or is currently determined to meet the requirements of certification.
18. "Indigent" means meeting income and resource criteria according to A.R.S. § 11-297.
19. "Inmate of a public institution" means a person defined by 42 CFR 435.1009.
20. "License" or "licensure" means a nontransferable authorization which is based on established standards in law and issued by a state or county regulatory agency or board, to allow a health care provider to lawfully render a health care service.
21. "Medical record" means a complete record which documents medical and behavioral services provided to an eligible person or member and which is kept at the site of the provider.
22. "Medical services" means health care services provided to eligible persons and members by a physician, practitioner, dentist, or by health professionals and technical per-

sonnel under the direction of a physician, practitioner, or dentist.

23. "Medically necessary" means covered services provided by a physician or other licensed practitioner of the healing arts within the scope of their practice under state law to:
    a. Prevent disease, disability, and other adverse health conditions or their progression; or
    b. Prolong life.
24. "Medicare HMO" means a health maintenance organization that has a current contract with the Health Care Financing Administration (HCFA) for participation in the Medicare program according to 42 CFR 417(L).
25. "Noncontracting provider" as defined in A.R.S. § 36-2931.
26. "NF" as defined in 42 U.S.C. 1396r(a).
27. "Referral" means the process whereby an eligible person or member is directed by a primary care physician to another appropriate provider or resource for diagnosis or treatment.
29. "Service location" means any location at which a member obtains any health care service provided by the contractor of record under the terms of a contract.
30. "Service site" means the location designated by the contractor of record at which enrolled members shall receive health care services.
31. "State emergency services program" is a program designed to provide emergency medical services to treat emergency medical conditions, for those services covered under R9-22-217, for a person who is determined eligible according to A.R.S. § 36-2905.05.
32. "Subcontract" means an agreement entered into by a contractor with any of the following:
    a. A provider of health care services who agrees to furnish covered services to members,
    b. A marketing organization, and
    c. Any other organization or person who agrees to perform any administrative function or service for the contractor specifically related to securing or fulfilling the contractor's obligations to the Administration under the terms of a contract.

R9-22-102. Scope of Services-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "Ambulance" means a medical transport vehicle licensed and registered by the Arizona Department of Health Services according to A.R.S. Title 36, Chapter 21.1, and 9 A.A.C. 13; and includes ground, air, and water ambulances which are staffed and equipped as a basic life support (BLS) vehicle or an advanced life support (ALS) vehicle. Ambulances may be used to provide:
    a. Emergency transportation for eligible persons or members requiring emergency medical services;
    b. Medically necessary transportation from 1 medical facility to another; or
    c. Emergency medical services which are provided before, during, or after such transportation by a certified emergency medical technician (EMT), an Intermediate EMT or paramedic, a registered nurse or physician assistant.
2. "Covered services" means those health and medical services described in Articles 2 and 12.
3. "Diagnostic services" means those services provided for the purpose of determining the nature and cause of a condition, illness, or injury.
4. "DME" means durable medical equipment which is an item or appliance that can withstand repeated use, is designed to serve a medical purpose, and is not generally useful to a person in the absence of a medical condition, illness, or injury.
5. "Dentures" means a partial or complete set of artificial teeth and services that are determined to be medically necessary, and the primary treatment of choice, or an essential part of an overall treatment plan, designed to alleviate a medical condition as determined by the primary care provider in consultation with the dental service provider.
6. "Emergency medical condition" as defined in 42 U.S.C. 1396b(v).
7. "Emergency medical services" means services provided after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
    a. Placing the patient's health in serious jeopardy,
    b. Serious impairment to bodily functions, or
    c. Serious dysfunction of any bodily organ or part.
8. "E.P.S.D.T. services" means early and periodic screening, diagnosis, and treatment services for eligible persons or members under 21 years of age. For the purpose of these rules, the following meanings shall apply:
    a. "Early" means, in the case of an eligible person under 21 years of age, as early as possible in the person's life or, in other cases, as soon as the person becomes eligible;
    b. "Periodic" means at appropriate intervals established by the Administration for screening to assure that a condition, illness, or injury is not incipient or present;
    c. "Screening" means the use of quick, simple procedures carried out among large groups of people to sort out apparently well persons from those who may have a condition, illness, or injury and the identification of those in need of more definitive study. For the purposes of the AHCCCS program, screening and diagnosis are not synonymous;
    d. "Diagnosis" means the determination of the nature or cause of a condition, illness, or injury through the combined use of health history, physical, developmental, and psychological examination, laboratory tests, X-rays; and
    e. "Treatment" means any type of health care or services recognized under the State Plan submitted according to Title XIX of the Social Security Act to prevent or ameliorate a condition, illness, or injury or prevent or correct abnormalities detected by screening or diagnostic procedures.
9. "Hearing aid" means any wearable instrument or device designed for, or represented as aiding or compensating for, impaired or defective human hearing, and any parts, attachments, or accessories of such instrument or device.
10. "Home health services" means those services that are provided by a home health agency coordinating in-home intermittent services for curative, habilitative care. This includes home-health aide services, licensed nurse services, medical supplies, equipment, and appliances.
11. "Medical supplies" means consumable items which are designed specifically to meet a medical purpose.
12. "Occupational therapy" means the medically prescribed treatment provided by, or under the supervision of, licensed occupational therapists, in order to restore, or

improve the individual's ability to perform tasks required for independent functioning.

13. "Pharmaceutical service" means medically necessary medications which are prescribed by a physician, practitioner, or dentist, and meet requirements in A.R.S. Title 32, Chapter 18, dispensed by a licensed pharmacist through a registered pharmacy.
14. "Physical therapy" means a service which provides treatment to restore or improve muscle tone, joint mobility, or physical function provided by or under the supervision of a registered physical therapist.
15. "Physician" means a person licensed allopathic or osteopathic physician according to A.R.S. Title 32, Chapter 13 or Chapter 17.
16. "Practitioner" means a physician assistant licensed under A.R.S. Title 32, Chapter 25, or a certified nurse practitioner licensed under A.R.S. Title 32, Chapter 15.
17. "Prescription" means an order to provide for covered services, which is signed or transmitted by a provider authorized to prescribe or order services.
18. "Primary care provider" means an individual who meets the requirements of A.R.S. § 36-2901, and who is responsible for the management of the member's or eligible person's health care.
19. "Primary care provider services" means healthcare services provided by a licensed physician, certified nurse practitioner, or licensed physician assistant within their scope of practice as defined by law.
20. "Prior authorization" means the process by which the Administration or contractor, whichever is applicable, authorizes in advance the delivery of covered services contingent on their medical necessity.
21. "Private duty nursing services" means nursing services provided to members or eligible persons who require more individual and continuous care than is available from a visiting nurse, or routinely provided by the nursing staff of the nursing facility or ICF-MR, and that are provided by a registered nurse or licensed practical nurse.
22. "Radiology services" means the professional and technical services rendered to provide medical imaging, radioisotope services, and radiation oncology.
23. "Rehabilitation services" means physical, occupational, and speech therapies, and items to assist in improving or restoring the person's functional level.
24. "Respiratory therapy" means a service which provides treatment to restore, maintain, or improve respiratory functions and must be provided by, or under the supervision of, a respiratory therapist licensed according to A.R.S. Title 32, Chapter 35.
25. "Scope of services" means those covered, limited, and excluded services under Articles 2 and 12 of these rules.
26. "Specialist" means a Board-eligible or certified physician who declares himself or herself as such and practices a specific medical specialty.
27. "Speech therapy" means medically prescribed diagnostic and treatment services provided by, or under the supervision of, a certified speech therapist.
28. "Sterilization" means a medically necessary procedure, not for purpose of family planning, to render an eligible person or member barren in order to:
    a. Prevent the progression of disease, disability, or adverse health conditions; or
    b. Prolong life and promote physical health.

R9-22-103. Eligibility and Enrollment-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "AHCCCS-disqualified dependent" means a natural or adoptive dependent minor residing in a household with an AHCCCS-disqualified spouse.
2. "AHCCCS-disqualified spouse" means the spouse of an MI/MN or state emergency services applicant, who is ineligible for AHCCCS MI/MN or state emergency services benefits because the spouse's separate property, when combined with other resources owned by all household members, exceeds the allowable resource limit.
3. "Case record" means the file and all documents contained therein which are used to establish eligibility.
4. "Categorically eligible" means those persons who are eligible as defined by A.R.S. § 36-2901(4)(h).
5. "Certification period" means the period of time for which a person is certified as eligible under A.R.S. § 36-2901(4)(a), (c), (h), and (j) for AHCCCS benefits.
6. "County eligibility worker" means a county employee designated to conduct eligibility interviews and determinations for AHCCCS.
7. "Date of application" means the date on which the county eligibility office receives a completed and signed Part I of the AHCCCS application form or receives official notification from a provider of emergency services as specified in Article 3.
8. "Date of determination" means the date on which a decision of the applicant's eligibility or ineligibility as an indigent, medically needy person, eligible low-income child, or as a state emergency services person is communicated by the county to the applicant by a Notice of Action and, for eligible applicants, to the Administration as specified in Article 3.
9. "Deemed date of application" means the 30th day following either the original date of application or a previously deemed date of application. A deemed date of application is established for an untimely application, and the deemed date shall replace the original date of application in determining the household's assets, resources, and income.
10. "Dependent child" means an unborn child or unemancipated minor or an 18 year-old, when all of the following 3 conditions exist:
    a. The 18-year-old is a full-time student in a secondary school, or in vocational, technical or trade school that grant credits to be applied toward secondary school graduation;
    b. The 18-year-old is reasonably expected to graduate before reaching age 19; and
    c. The 18-year-old resides with 1 or both parents or a specified relative.
11. "DES" means the Department of Economic Security.
12. "Determination" means the process by which an applicant is approved or denied for coverage as an indigent or medically needy person, an eligible low-income child, or a state emergency services person. Determination includes the decision by the county of an applicant's eligibility or ineligibility, the communication, for eligible applicants, of the decision by the county to the Administration's Notification Unit, and the communication of the decision by the county to the applicant by a Notice of Action.

13. "Disenrollment" means the discontinuance of a member's entitlement to receive covered services from a contractor of record.
14. "Disqualified household member" means a person who is ineligible for indigent, medically needy, eligible low-income child, or state emergency services coverage due to a refusal to cooperate with the Title XIX eligibility process as required by state law.
15. "Eligible assistance children" means those children defined by A.R.S. § 36-2905.03(B).
16. "Eligible low-income children" means those defined by A.R.S. § 36-2905.03(C) and (D).
17. "Emancipated minor" means a minor who is married or divorced or in military service, or the subject of a court order declaring the minor to be emancipated.
18. "Enrollment" means the process by which an eligible person becomes a member of a contractor's plan.
19. "Equity" means the full cash or market value of a resource minus valid liens or encumbrances.
20. "Expressed emancipated minor" means a minor whose parent has or parents have signed a notarized affidavit indicating that the minor is no longer under parental support and control, and that the parent has or parents have surrendered claim to the state and federal tax dependency deductions provided that the minor is not living with a parent or a specified relative acting as a legal or de facto guardian, and a court has not ordered custody with another person or agency.
21. "Fair consideration" means money, goods, or services which can be valued in terms of money that was received in exchange for property or resources transferred, and that has a value equal to at least 80% of the property or resources transferred.
22. "Full cash value" means the current value of real properties as determined by the County Assessor's Office for the county in which the real property is located.
23. "Gross earnings from employment" means the total payment received by an employee from an employer in exchange for goods or services.
24. "Guardian" means a guardian, conservator, executor, or public fiduciary appointed by a court or other protective order to be in charge of the affairs of a minor or incapacitated person.
25. "Head of household" means the family household member who assumes the responsibility for providing AHCCCS eligibility information for the family household members in accordance with Article 3 of these rules.
26. "Incapacitated person" means any person who is mentally or physically impaired to the extent that the person is unable to make or communicate responsible decisions concerning one's own person.
27. "Income in kind" means any non-cash item or service received by an individual from a person or organization.
28. "Interim change" means either a change occurring after the date of application and before the eligibility decision or a change occurring during the certification period.
29. "Liquid assets" means all property and resources readily convertible to cash.
30. "Minor" means a person who is under age 18.
31. "Open enrollment" means a period of time during which all eligible and enrolled members may choose to be enrolled with another available contractor of record.
32. "Public assistance" means benefits provided to a person either directly or indirectly by a city, county, federal, or state governmental agency based on financial needs.
33. "Redetermination" means the process by which an eligible person under A.R.S. § 36-2901.4(a), (c), or (h) applies for a new eligibility certification period prior to the expiration of the current certification period.
34. "Refusal to cooperate" means that a person has refused to be interviewed by or has failed to provide, upon written request, information or available verification to the county, DES, or Administration's eligibility staff or an eligibility quality control reviewer, or has refused to sign the Intent to Cooperate Form, or has failed to keep a scheduled appointment without providing a reasonable explanation, or has voluntarily withdrawn from the application for federal benefits when such an application is required by state law.
35. "Separate property" means real and personal property of a spouse, owned by such spouse before the marriage, or acquired by gift, devise, or descent after the marriage.
36. "S.O.B.R.A." means Section 9401 of the Sixth Omnibus Budget Reconciliation Act, 1986, as amended by the Medicare Catastrophic Coverage Act of 1988, 42 U.S.C. 1396a(a)(10)(A)(ii)(IX), July 1, 1988, as described herein and on file with the Office of the Secretary of State.
37. "SSA" means Social Security Administration as defined in P.L. 103-296, Title I.
38. "Specified relative" means a nonparent caretaker of a dependent child who is a grandmother, grandfather, sister, brother, stepmother, stepfather, stephrother, stepsister, aunt, uncle, 1st cousin, niece, nephew, or person of preceding generations whose relationship to the child is described by any of these terms preceded by a single "great" or "grand". A specified relative must be 18 or over to apply on behalf of a dependent child, unless awarded custody by a court.
39. "Spend down" means the dollar value of medical expenses that the family household must have incurred and either have paid or remain responsible to pay in order to bring their net annual income within the eligibility income limit.
40. "Spouse" means the husband or wife of an AHCCCS applicant or household member, who has entered into a contract of marriage, recognized as valid by the state of Arizona.
41. "SSI" means Supplemental Security Income under Title XVI of the Social Security Act, as amended.
42. "Untimely application" means an MI/MN application for which the date of determination is later than the 30th day following the date of application or, if the head of the household has agreed in writing to an extension, later than the 60th day following the date of application. For MI/MN-S.O.B.R.A. dual applications, when the completed application has been submitted to DES within 30 days after the date of application but DES has not determined S.O.B.R.A. eligibility within 30 days after the date of application, the application for those household members for whom S.O.B.R.A. eligibility is being determined is not an untimely application if the date of determination is not later than the 10th working day after a determination of S.O.B.R.A. eligibility has been made by DES or the 20th working day after the application was forwarded to DES, whichever is earlier.
43. "Work-related expenses" means non-reimbursed expenses related to employment for travel, meals, lodging, uniforms, licenses for employment, union dues, tools, or material required for employment.

R9-22-105. General Provisions and Standards-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "Quality management" means a methodology used by professional health personnel that assesses the degree of conformance to desired medical standards and practices; and activities designed to improve and maintain quality service and care, performed through a formal program with involvement of multiple organizational components and committees.
2. "RFP" is a document prepared by the Administration which describes the services required and which instructs prospective offerors how to prepare a response (proposal).
3. "Utilization management" means a methodology used by professional health personnel that assesses the medical indications, appropriateness, and efficiency of care provided.

R9-22-107. Standard for Payments-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "Accommodation" means those bed-and-board services provided to a patient during a hospital stay and includes the cost of all staffing, supplies, and equipment. The accommodation is typically semi-private except when the member must be isolated for medical reasons. Other types of accommodation include hospital routine medical/surgical units, intensive care units, and any other specialty care unit where bed and board are provided. Accommodation does not include observation.
2. "Aggregate" means the combined amount of hospital payments for covered services provided within and outside the service area.
3. "AHCCCS inpatient hospital days or days of care" means the period of time beginning with the day of admission and includes each day of an inpatient stay for an eligible person, including the day of death, but excluding the day of discharge, provided that all medical necessity and medical review requirements have been met.
4. "Ancillary department" means the department of a hospital that provides ancillary services and outpatient services, which are defined in the Medicare Provider Reimbursement Manual.
5. "Billed charges" means charges that a hospital includes on a claim for providing hospital services to an eligible person and member consistent with the rates and charges filed by the hospital with the Arizona Department of Health Services.
6. "Capital costs" means capital-related costs which are defined in the Medicare Provider Reimbursement Manual, Chapter 28, such as building and fixtures, and movable equipment.
7. "Clean claim" as defined in A.R.S. § 36-2904.
8. "Copayment" means a monetary amount, specified by the Director, which the member pays directly to a contractor or provider at the time covered services are rendered.
9. "Cost-to-charge ratio" means a hospital's costs for providing covered services divided by the hospital's covered charges for the same services.
10. "Covered charges" means billed charges that represent medically necessary, reasonable, and customary items of expense for AHCCCS-covered services that meet medical review criteria of the Administration or contractor.
11. "CPT" means current procedural terminology, the manual published and updated by the American Medical Association, which is a nationally accepted listing of descriptive terms and identifying codes for reporting medical services and procedures performed by physicians and provides a uniform language that will accurately designate medical, surgical, and diagnostic services.
12. "DRI inflation factor" means the Data Resources Inc., Health Care Financing Administration-type hospital input price index for prospective hospital reimbursement which is published by DRI/McGraw-Hill.
13. "Encounter" means a record of medical service, submitted by a contractor and processed by AHCCCS, that are rendered by a provider registered with AHCCCS to a member who is enrolled with the contractor on the date of service, and for which the contractor incurs any financial liability.
14. "ICU" means the intensive care unit of a hospital.
15. "Medical education costs" means direct hospital costs for intern and resident salaries, fringes, and program costs, nursing school education, and paramedical education, which is defined in the Medicare Provider Reimbursement Manual, Chapter 28.
16. "Medical review" means a review involving clinical judgment of a claim or a request for a service before or after it is paid or rendered to ensure that services provided to an eligible person or member are medically necessary and covered services and that required authorizations are obtained by the provider. The criteria for medical review are established by the Administration or contractor based on medical practice standards that are updated periodically to reflect changes in medical care.
17. "Medicare crossover" means a claim for services covered by Medicare for an eligible person or member with Medicare coverage.
18. "New hospital" means any hospital for which Medicare Cost Report data and claim and encounter data are not available for hospital rate development from any owner or operator of the hospital, during either the initial prospective rate year or rebasing.
19. "NICU" means the neonatal intensive care unit of a hospital that has been classified as a Level II or Level III perinatal center by the Arizona Perinatal Trust.
20. "Operating costs" means allowable accommodation and ancillary department hospital costs excluding capital and medical education costs.
21. "Outlier" means a hospital claim or encounter in which the AHCCCS inpatient hospital days of care have operating costs per day that meet the criteria described in R9-22-712.
22. "Outpatient hospital service" means a service provided in an outpatient hospital setting that does not result in an admission.
23. "Ownership change" means a change in a hospital's owner, lessor, or operator which is defined in 42 CFR 489.18(A).
24. "Peer group" means hospitals that share a common, stable, and independently definable characteristic or feature which significantly influences the cost of providing hospital services.
25. "Prospective rates" means inpatient or outpatient hospital rates defined in advance of a payment period and representing full payment for covered services excluding any quick-pay discounts, slow-pay penalties, non-categorical discounts, and 1st and 3rd party payments regardless of billed charges or individual hospital costs.

26. "Prospective rate year" means the period from October 1 of each year to September 30 of the following year, except for the initial prospective rate year which is between March 1, 1993, and September 30, 1994.
27. "Rebasing" means the process by which new Medicare Cost Report data, AHCCCS claim, and encounter data are collected and analyzed to reset periodically the inpatient hospital tiered-per-diem rates or the outpatient hospital cost-to-charge ratios.
28. "Reinsurance" means a risk-sharing program provided by the Administration to contractors for the reimbursement of certain contract service costs incurred by a member or eligible person beyond a certain monetary threshold.
29. "SDAD" means same day admit and discharge which is a hospital stay with the admit and discharge occurring on the same calendar day.
30. "Tier" means a grouping of inpatient hospital services into levels of care based on diagnosis, procedure or revenue codes, peer group, or NICU classification level, or any combination of these items.
31. "Tiered per diem" means a payment structure in which payment is made on a per-day basis depending upon the tier into which an AHCCCS inpatient hospital day of care is assigned.
32. "Total inpatient hospital days" means the total number of days, including all hospital subprovider and nursery days from the Medicare Cost Report for all payors. Observation days and swing bed days are not included.

R9-22-108. Grievance and Appeal Process-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "AHCCCS hearing officer" means a person designated by the Director to preside over administrative hearings regarding eligibility appeals and grievances.
2. "Appeal" means a review process initiated in accordance with Article 8.
3. "Grievance" means a complaint initiated in accordance with Article 8.

R9-22-109. Quality Control Review and Analysis-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

"Certification error" as defined in A.R.S. § 36-2905.01.

R9-22-110. 1st- and 3rd-Party Liability-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

1. "1st-party liability" means the resources available from any insurance obtained directly or indirectly by a member or eligible person that provides benefits directly to the member or eligible person and is liable to pay all or part of the medical expenses incurred by the Administration, a contractor, a member, or eligible person.
2. "3rd-party" means any individual, entity, or program that is or may be liable to pay all or part of the medical cost of injury, disease, or disability of an applicant, eligible person, or member.
3. "3rd-party liability" means the resources available from a individual, entity, or program that is or may be, by agreement, circumstance, or otherwise, liable to pay all or part of the medical expenses incurred by an applicant, eligible person, or member.

R9-22-112. Behavioral Health Services-related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Chapter have the following meanings unless the context explicitly requires another meaning:

"Acute mental health services" means inpatient or outpatient health services provided to treat mental or emotional disorders, as necessary for crisis stabilization, evaluation, and determination of future service needs.

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

CHAPTER 28. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)
ARIZONA LONG-TERM CARE SYSTEM

PREAMBLE

1. Sections Affected	Rulemaking Action
R9-28-101	Amend
R9-28-102	New Section
R9-28-103	New Section
R9-28-104	New Section
R9-28-105	New Section
R9-28-106	New Section
R9-28-107	New Section
R9-28-108	New Section
R9-28-111	New Section

2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 36-2932(P)

Implementing statute: A.R.S. § 36-2901 and § 36-2931 establish statutory definitions; this Section adds to those definitions.

3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Cheri Tomlinson

Address: AHCCCS
801 East Jefferson, MD4200
Phoenix, Arizona 85027

Telephone: (602) 417-4198

Fax: (602) 256-6756

4. **An explanation of the rule, including the agency's reasons for initiating the rule:**

The rule package is being implemented as the result of a five-year-review report which identified many of the proposed changes. The package is being developed parallel with a rule package for the AHCCCS acute care definitions in 9 A.A.C. 22, Article 1, to ensure the integrity of all definitions used by the Administration and to cross-reference definitions whenever appropriate.

5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

6. **The preliminary summary of the economic, small business, and consumer impact:**

The economic impact of the proposed changes will be nominal and the changes are designed to make the definitions more user friendly for all interested parties. The changes are nonsubstantive and will benefit rule users by ensuring that accurate and complete definitions can be located in a timely fashion. In constructing the package, certain definitions were retained and stayed the same, other definitions were added, deleted, or modified to match actual agency practice, update citations, or for clarification or compliance purposes.

The primary users of these definitions who will benefit from increased clarity and conciseness of the proposed changes include:

- AHCCCS contractors (including ALTCS program contractors that are governmental entities and private business entities);
- AHCCCS providers (including ALTCS providers that could be considered large (for example, nursing facilities) or small business entities);
- ALTCS members;
- Indian Health Services; and
- The Administration.

7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name: Cheri Tomlinson

Address: AHCCCS
801 E. Jefferson, MD4200
Phoenix, Arizona 85027

Telephone: (602) 417-4198

Fax: (602) 256-6756

8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

The Agency has scheduled the following public hearing:

Date: October 6, 1997

Time: 9 a.m.

Location: State Capitol, 1st Floor Conference Room
1700 West Washington
Phoenix, Arizona 85007

Nature: Public Hearing

The written comments should be submitted no later than 5:00 p.m., October 8, 1997, to the person listed in question #7 above.

9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
Not applicable.

10. **Incorporations by reference and their location in the rules:**
None.

11. **The full text of the rules follows:**

TITLE 9. HEALTH SERVICES

CHAPTER 28. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS) ARIZONA LONG-TERM CARE SYSTEM

ARTICLE 1. DEFINITIONS

Section

ARTICLE 1. DEFINITIONS

~~R9-28-101. Definitions~~

~~The following words and phrases, in addition to definitions contained in A.R.S. Title 36, Chapter 29, and A.A.C. Title 9, Chapter 22, Article 1 have the following meanings unless the context of the Chapter explicitly requires another meaning:~~

1. ~~"ALTCS" means Arizona Long-Term Care System as authorized by A.R.S. §36-2931 36-2932.~~
2. ~~"Adjusted billed charges" means payments by the Administration or ALTCS program contractors to hospitals based on a percentage of billed charges.~~
3. ~~"Affiliated organization" means an organization that has an ownership or management interest in an offeror, or an organization in which the offeror has an ownership or management interest, including a wholly or partially owned subsidiary.~~
4. ~~"Alternate residential setting" means licensed adult foster care homes for the non-developmentally disabled, or for the developmentally disabled, group homes, adult developmental homes, child developmental foster homes and large group residential settings for adults and children.~~
5. ~~"Appeal" means a review process initiated in accordance with Article 8 of this Chapter.~~
6. ~~"Attendant care" means a service provided by a qualified attendant as described by the ALTCS Attendant Care service specifications, dated March 1992, incorporated by reference herein and on file with the Office of the Secretary of State~~
7. ~~"Behavior intervention training" means services which provide intervention, education and training in the use of techniques designed to intervene and modify an individual's beha[illegible] such as behavior modification, including reinforcer[illegible] time-out, and extinction.~~
8. ~~"Capped [illegible]or-service" means the maximum payment mechanism by which providers and noncontracting providers are reimbursed by the Administration upon submission of valid claims for specific ALTCS covered services and equipment provided to eligible persons.~~
9. ~~"Case manager" means a person who is either a social worker, social work assistant, physician assistant, licensed registered nurse, or an individual with a minimum of 2 years' experience in providing case management services to the elderly and physically disabled or to developmentally disabled persons.~~
10. ~~"Case management plan" means the service plan developed by the case manager which involves the overall management of a member's or eligible person's care, and the continued monitoring and reassessment of a member's or eligible person's need for services.~~
11. ~~"Case record" means the file and all documents contained therein which are used to establish all aspects of ALTCS eligibility.~~
12. ~~"Certified" means a professional person, a facility or an organization that has met established criteria for one or more specific functions and thereby meets applicable federal or state requirements.~~
13. ~~"C.F.R." means Code of Federal Regulations, October 1, 1987 edition, unless otherwise specified in this Chapter.~~
14. ~~"Clinic services" means preventive, diagnostic, therapeutic, rehabilitative, or palliative services that are provided in an outpatient setting.~~
15. ~~"Comprehensive plan for delivery of services" means the annual plan which program contractors submit to the Director as prescribed in A.R.S. §36-2940(C).~~
16. ~~"Convalescent care" means care provided to members who require services for less than 90 days in a long-term care setting.~~
17. ~~"County of fiscal responsibility" means the county in which an ALTCS member is enrolled.~~
18. ~~"Customized durable medical equipment and supplies" means durable equipment or supplies adapted to an individual's particular situation.~~
19. ~~"Developmental disability" means a severe, chronic disability described by A.R.S. §36-551.11. 36-551.~~
20. ~~"Discussions" means oral or written exchanges of information or any form of negotiation in the contracting process.~~
21. ~~"Disenrollment" means the discontinuance of a member's entitlement to receive covered services from an ALTCS program contractor.~~
22. ~~"Durable medical equipment" means reusable medical equipment that is medically necessary and ordered by the physician primary care provider.~~
23. ~~"Enrollment" means the process by which a person who has been determined eligible becomes a member with an ALTCS program contractor.~~
24. ~~"Equity interest in home" means the current market value of a home minus valid liens or encumbrances.~~
25. ~~"Estate" means the degree, quantity, nature and extent of interest which a person has in real and personal property.~~

26. "Federal financial participation" means that portion of the cost of a service or program funded by the federal government.
27. "Grievance" means a complaint initiated in accordance with Article 8.
28. "Home health services" means those services that are provided by a Home Health agency coordinating in-home intermittent services for curative, habilitative care. This includes home health aide services, licensed nurse services, medical supplies, equipment and appliances.
29. "Inspection of care" means an annual review of eligible persons in ICF-MRs, and IMDs to ensure appropriate placement, utilization and quality of care.
30. "Institution for mental diseases" means facility defined by 42 C.F.R. §440.140(a)(2), April 1, 1991, incorporated by reference herein and on file with the Office of the Secretary of State.
31. "Institutionalized individual" means an individual who is in a medical institution or nursing facility and receiving an appropriate level of care at a nursing facility (NF) or at an ICF/MR or who receives, or will receive, home and community based services.
32. "Intermediate care facility for the mentally retarded" (ICF-MR) means a facility whose primary purpose is to provide health, and rehabilitative services to the developmentally disabled Services are above the service level of by supervisory or personal care, and the room and board level but are less intensive than skilled nursing services.
33. "Lawfully residing" means the occupation of a dwelling with the intent to remain in other than a transitory state.
34. "Licensed" means a person, facility, or organization has met the registration requirements for licensure and is currently licensed and registered by the proper authority.
35. "Mobility training" means a service that provides training to improve the functional mobility of a person to enable travel throughout the home and the community.
36. "Multiple source drug" means a drug marketed or sold by two or more manufacturers or labelers, or a drug marketed or sold by the same manufacturer or labeler under two or more different proprietary names or under both a proprietary name and without such a name.
37. "Nursing facility" (NF) "NF" means an institution (or distinct part of an institution) defined by section 1919(a) of the Social Security Act, October 1, 1990, incorporated by reference herein and on file with the Office of the Secretary of State.
38. "Occupational therapy" means the medically prescribed treatment concerned with improving or restoring functions which have been impaired or permanently lost or reduced by illness or injury or other health related conditions, to restore, maintain or improve the individual's ability to perform tasks required for independent functioning, provided by or under supervision of licensed or registered occupational therapists.
39. "Offeror" means a person or other entity which submits a proposal to the Administration in response to a Request for Proposals.
40. "Orientation training" means a planned program of activities which promote awareness of an individual's surroundings according to person, place and time.
41. "Own home" means the current dwelling place of the applicant or recipient (A/R), whether it be a house, mobile home, apartment, trailer or any other similar shelter used as a dwelling by the A/R. It may be owned, leased, or rented, or occupied at no cost by the A/R. However, the term "own home" or residence does not include a hospital, supervisory care home, nursing home, adult care home, day care group home or other similar institution. The term also does not include any commercially operated living arrangement in which the A/R is supplied by the facility with services defined in A.R.S. §36-2939.C. in addition to accommodations. Services may be provided by a home health agency or other community based organization. The term "own home" does not refer to a residence of an A/R who has been determined to be developmentally disabled.
42. "Physical therapy" means a service which provides treatment to restore, maintain or improve muscle tone, joint mobility, or physical function provided by or under the supervision of a registered physical therapist.
43. "Preadmission screening" (PAS) means the process of determining the functional, medical, nursing and social needs for ALTCS services.
44. "Preadmission screening and annual resident review" (PASARR) means the two step screening process for mental illness and mental retardation pursuant to A.R.S. §36-2936.I. The level I screening is utilized to identify potentially mentally ill (MI) or mentally retarded (MR) persons prior to nursing facility admission. The level II screening is the portion of the process that is the in-depth assessment of potentially MI or MR persons referred through the level I process.
45. "Primary care physician" includes, but is not limited to, a physician who is a family practitioner, general practitioner, pediatrician, general internist or an obstetrician or gynecologist or, under the supervision of a physician, a physician's assistant or nurse practitioner.
46. "Private duty nursing services" means nursing services for recipients who require more individual and continuous care than is available from a visiting nurse, or routinely provided by the nursing staff of the hospital, or skilled nursing facility, and that are provided by a registered nurse or licensed practical nurse, under the direction of the recipient's physician and to a recipient in his own home or in a hospital or skilled nursing facility.
47. "Program contractor" means a county or group of counties, the Arizona Department of Economic Security or any other person that contracts with the Administration to provide services to members.
48. "Property" means the personal and real property in which the individual has a legal interest or claim of ownership. Personal property means all property that cannot be classified as real property. Personal property may include money, furniture, merchandise, animals, notes, bonds, annuities, stocks, shares, patents and copyrights. Real property means land, and generally whatever is erected or growing upon or affixed to land.
49. "Proposal" means all documents submitted by an offeror in response to a Request for Proposals by the Administration.
50. "Qualified offer" means an offer submitted by a responsible and responsive offeror.
51. "Quarterly resident assessment" means a comprehensive, standardized assessment of the medical, functional and psychological needs of each ALTCS eligible resident of a nursing facility, which is required upon the resident's admission to the facility and periodically thereafter.
52. "Reassessment" means the process of determining the functional, medical, nursing and social needs, on at least an annual, basis for all currently eligible ALTCS clients.
53. "Reinsurance" means a stop-loss program where the Administration will assume a portion of the medical costs

~~for those ALTCS members incurring more than a specified threshold amount of allowable medical costs in a contract year.~~

54. ~~"Request for Proposals" (RFP) means all documents, whether attached or incorporated by reference, which are used by the Administration for soliciting a proposal pursuant to Article 6 of this Chapter. This term also encompasses all supplements or amendments to the original RFP.~~
55. ~~"Respiratory therapy" means a service which provides treatment to restore, maintain or improve respiratory functions.~~
56. ~~"Respite care" means a short-term service provided in a facility or a home and community based service setting to an individual only when necessary to relieve the family member or other persons caring for the individual.~~
57. ~~"Responsible offeror" means a person or entity who has the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance.~~
58. ~~"Responsive offeror" means a person or entity who submits a proposal which conforms in all material respects to the Request for Proposals.~~
59. ~~"Room and board" means a service that provides lodging and meals.~~
60. ~~"Sensory-motor development training" means a planned program to increase reaction to sensory stimuli which will allow an individual to improve his auditory, visual and physical functioning.~~
61. ~~"Speech therapy" means medically prescribed diagnostic and treatment services provided by, or under the supervision of, a certified speech therapist.~~
62. ~~"Therapeutic leave days" means a period of absence from a nursing care institution as ordered by a physician for the purpose of trial visits or therapeutic home visits.~~
63. ~~"Training in independent living" means a planned program of training which promotes skill development in independent living, self-care, communication and social relationships.~~
64. ~~"Transportation" means a service that provides or assists in obtaining transportation for individuals.~~
65. ~~"Uniform cost reporting" means a consistent and approved method of recording and reporting costs.~~
66. ~~"Ventilator dependent means individuals who are medically dependent on a ventilator for life support at least 6 hours per day and have been dependent on ventilator support as an inpatient in a hospital, SNF or ICF for 30 consecutive days.~~

R9-28-101. General Definitions

A. Location of definitions. Definitions applicable to Chapter 28 are found in the following:

Definition	Section or Citation
1. "AFDC"	R9-22-101
2. "Aggregate"	R9-22-107
3. "AHCCCS"	R9-22-101
4. "AHCCCS hearing officer"	R9-28-108
5. "ALTCS"	A.R.S. § 36-2932
6. "Alternative HCBS setting"	R9-28-101
7. "Ambulance"	R9-22-102
8. "Appeal"	R9-22-108
9. "Bed hold"	R9-28-102
10. "Behavior intervention"	R9-28-102
11. "Billed charges"	R9-22-107
12. "Capped fee-for-service"	R9-22-101
13. "Case management plan"	R9-28-101
14. "Case manager"	R9-28-101
15. "Case record"	R9-22-103
16. "Categorically Eligible"	A.R.S. § 36-2934(4)(h)
17. "Certification"	R9-28-105
18. "CFR"	R9-28-101
19. "Clean claim"	R9-22-107
20. "Comprehensive plan for delivery of services"	R9-28-105
21. "Contract"	R9-22-101
22. "Contractor"	R9-22-101
23. "County of fiscal responsibility"	R9-28-104
24. "Covered services"	R9-22-102
25. "CPT"	R9-22-107
26. "Day"	R9-22-101
27. "Designated representative"	R9-28-104
28. "Developmental disability"	A.R.S. § 36-551
29. "Diagnostic services"	R9-22-102
30. "Disenrollment"	R9-22-103
31. "DME"	R9-22-102
32. "Eligible person"	A.R.S. § 36-2931
33. "Emancipated minor"	R9-22-103
34. "Emergency medical services	R9-22-102
35. "Encounter"	R9-22-107
36. "Enrollment"	R9-22-103
37. "Estate"	A.R.S. § 14-1201
38. "Facility"	R9-22-101
39. "Factor"	R9-22-101
40. "Grievance"	R9-22-108
41. "Guardian"	R9-22-103
42. "HCBS"	A.R.S. §§ 36-2931 and 36-2939
43. "Home"	R9-28-101
44. "Home health services"	R9-22-102
45. "Hospital"	R9-22-101
46. "ICF-MR"	R9-28-101
47. "IMD"	42 CFR 435.1009
48. "Inspection of care"	R9-28-105
49. "Institutionalized individual"	R9-28-104
50. "License" or "licensure"	R9-22-101
51. "Medical record"	R9-22-101
52. "Medical services"	R9-22-101
53. "Medical supplies"	R9-22-102
54. "Medically eligible"	R9-28-104
55. "Medically necessary"	R9-22-101
56. "Member"	A.R.S. § 36-2931
57. "Minor"	R9-22-103
58. "Noncontracting provider"	A.R.S. § 36-2931
59. "NF"	42 U.S.C. 1396r(a)
60. "Occupational therapy"	R9-22-102
61. "Physical therapy"	R9-22-102
62. "PAS"	R9-28-103
63. "PASARR"	R9-22-103
64. "Pharmaceutical service"	R9-22-102
65. "Physician"	R9-22-102
66. "Practitioner"	R9-22-102
67. "Primary care provider services"	R9-22-102
68. "Primary care provider"	R9-22-102
69. "Prior authorization"	R9-22-102
70. "Private duty nursing services"	R9-22-102
71. "Program contractor"	A.R.S. § 36-2931
72. "Provider"	A.R.S. § 36-2931
73. "Quality management"	R9-22-105
74. "Radiology services"	R9-22-102
75. "Reassessment"	R9-28-103
76. "Referral"	R9-22-101
77. "Reinsurance"	R9-22-107
78. "RFP"	R9-22-106

79.	"Respiratory therapy"	R9-22-102
80.	"Respite care"	R9-28-102
81.	"Room and board"	R9-28-102
82.	"Scope of services"	R9-22-102
83.	"Speech therapy"	R9-22-102
84.	"SSA"	R9-22-103
85.	"Spouse"	R9-22-103
86.	"SSI"	R9-22-103
87.	"Subcontract"	R9-22-101
88.	"Utilization management"	R9-22-105
89.	"Ventilator dependent"	R9-28-102

B. General definitions. The following words and phrases, in addition to definitions contained in A.R.S. Title 36, Chapter 29, and 9 A.A.C. 22, Article 1 et seq., have the following meanings unless the context of the Chapter explicitly requires another meaning:

1. "AHCCCS" as defined in 9 A.A.C. 22, Article 1.
2. "ALTCS" means Arizona Long-Term Care System as authorized by A.R.S. § 36-2932.
3. "Alternative HCBS setting" means a living arrangement approved by the Director, and licensed or certified by a regulatory agency of the state, where a member may reside and receive HCBS services in the following:
   a. For a person with a developmental disability (DD) as specified in A.R.S. § 36-551, in a community residential setting as defined in A.R.S. § 36-551:
      i. Adult developmental home as defined in A.R.S. §§ 36-551 and 36-559;
      ii. Child developmental foster home as defined in A.R.S. § 36-551 and 36-559;
      iii. Large group settings as defined in A.R.S. § 36-551;
      iv. Family foster home as defined in 6 A.A.C. 5, Article 58;
      v. Group foster home as defined in 6 A.A.C. 5, Article 59;
   b. For a person with a developmental disability (DD) as specified in A.R.S. § 36-551, in a licensed residential facility for persons with traumatic brain injury as specified in A.R.S. § 36-2939(C); and
   c. Behavioral health service agency as specified in A.R.S. § 36-2939(B)(2):
      i. Level I,
      ii. Level II, or
      iii. Level III.
   d. For persons who are elderly or physically disabled (EPD) in residential care institutions as specified in A.R.S. § 36-2939(C):
      i. Adult foster care home as defined in A.R.S. § 36-401;
      ii. Adult care home as defined in A.R.S. § 36-448, and Laws 1995, as amended by Laws 1997, Ch. 256;
      iii. Supportive residential living center as defined in A.R.S. § 36-1301;
   e. For persons who are elderly or physically disabled (EPD) in a licensed residential facility for person with a traumatic brain injury as specified in A.R.S. 36-2939(C); and
   f. For persons who are elderly or physically disabled (EPD) in behavioral health service agency as specified in A.R.S. § 36-2939(C):
      i. Level I, and
      ii. Level II.
4. "Case management plan" means the service plan developed by the case manager which involves the overall management of a member or eligible person's care, and the continued monitoring and reassessment of a member or eligible person's need for services.
5. "Case manager" means an individual who is either a degreed social worker, licensed registered nurse, or an individual with a minimum of 2 years of experience in providing case management services to individuals who are elderly and physically disabled or have developmental disabilities.
6. "CFR" means Code of Federal Regulations, unless otherwise specified in this Chapter.
7. "Contract" as defined in 9 A.A.C. 22, Article 1.
8. "Contractor" as defined in 9 A.A.C. 22, Article 1.
9. "Day" as defined in 9 A.A.C. 22, Article 1.
10. "Disenrollment" as defined in 9 A.A.C. 22, Article 1.
11. "Eligible person" as defined in A.R.S. § 36-2931.
12. "Facility" as defined in 9 A.A.C. 22, Article 1.
13. "Factor" as defined in 9 A.A.C. 22, Article 1.
14. "HCBS" means home- and community-based services as defined in A.R.S. §§ 36-2931, and 36-2939.
15. "Home" means a residential dwelling that is owned, rented, leased, or occupied at no cost to the member.
   a. A home includes:
      i. House,
      ii. Mobile home,
      iii. Apartment, or
      iv. Any similar shelter.
   b. A home is not a facility, setting, or institution, or a portion thereof, licensed or certified by a regulatory agency of the state as a:
      i. Health care institution as defined in A.R.S. § 36-401,
      ii. Residential care institution as defined in A.R.S. § 36-401,
      iii. Community residential facility as defined in A.R.S. § 36-551, or
      iv. Behavioral health service facility as defined in 9 A.A.C. 20, Articles 6, 7, and 8.
16. "Hospital" as defined in R9-22-101.
17. "ICF-MR" as defined in 42 CFR 435.1009 and 440.150.
18. "License" or "licensure" as defined in 9 A.A.C. 22, Article 1.
19. "Medical record" as defined in 9 A.A.C. 22, Article 1.
20. "Medical services" as defined in 9 A.A.C. 22, Article 1.
21. "Medically necessary" as defined in 9 A.A.C. 22, Article 1.
22. "Member" as defined in A.R.S. § 36-2931.
23. "NF" means nursing facility as defined in 9 A.A.C. 22, Article 1.
24. "Noncontracting provider" as defined in A.R.S. § 36-2931.
25. "Program contractor" as defined in A.R.S. § 36-2931.
26. "Provider" as defined in A.R.S. § 36-2931.
27. "Referral" as defined in 9 A.A.C. 22, Article 1.
28. "Subcontract" as defined in 9 A.A.C. 22, Article 1.

R9-28-102. Covered Services-related Definitions

Definitions. In this Article:

1. "Ambulance" as defined in 9 A.A.C. 22, Article 1.
2. "Bed hold" means a 24-hour-per-day unit of service that is authorized by an ALTCS case manager or designee during periods of short-term hospitalization or therapeutic leave which must meet the requirement as specified in 42 CFR 483.12.
3. "Behavior intervention" means the planned interruption of an eligible person's or member's inappropriate behavior utilizing techniques such as reinforcement, training,

behavior modification, and other systematic procedures resulting in more acceptable behavior.
4. "Covered services" as defined in 9 A.A.C. 22, Article 1.
5. "Diagnostic services as defined in 9 A.A.C. 22, Article 1.
6. "DME" means durable medical equipment as defined in 9 A.A.C. 22, Article 1.
7. "Emergency medical services" as defined in 9 A.A.C. 22, Article 1.
8. "Home health services" as defined in 9 A.A.C. 22, Article 1.
9. "Medical supplies" as defined in 9 A.A.C. 22, Article 1.
10. "Occupational therapy" as defined in 9 A.A.C. 22, Article 1.
11. "Pharmaceutical service" as defined in 9 A.A.C. 22, Article 1.
12. "Physician" as defined in 9 A.A.C. 22, Article 1.
13. "Physical therapy" as defined in 9 A.A.C. 22, Article 1.
14. "Practitioner" as defined in 9 A.A.C. 22, Article 1.
15. "Primary care provider" as defined in 9 A.A.C. 22, Article 1.
16. "Primary care provider services" as defined in 9 A.A.C. 22, Article 1.
17. "Prior authorization" as defined in 9 A.A.C. 22, Article 1.
18. "Private duty nursing services" as defined in 9 A.A.C. 22, Article 1.
19. "Radiology services" as defined in 9 A.A.C. 22, Article 1.
20. "Respiratory therapy" as defined in 9 A.A.C. 22, Article 1.
21. "Respite care" means a short-term service provided in a NF or a home- and community-based service setting to an individual when necessary to relieve the family member or other persons caring for the individual.
22. "Room and board" means lodging and meals.
23. "Scope of services" as defined in 9 A.A.C. 22, Article 1.
24. "Speech therapy" as defined in 9 A.A.C. 22, Article 1.
25. "Ventilator dependent", as defined for purposes of ALTCS eligibility, means an individual who is medically dependent on a ventilator for life support at least 6 hours per day and has been dependent on ventilator support as an inpatient in a hospital, NF, or ICF-MR for 30 consecutive days.

R9-28-103. Preadmission Screening-related Definitions
Definitions. In this Article:
1. "Case record" as defined in 9 A.A.C. 22, Article 1.
2. "Developmental disability" means a disability as described by A.R.S. § 36-551.
3. "Emancipated minor" as defined in 9 A.A.C. 22, Article 1.
4. "Enrollment" as defined in 9 A.A.C. 22, Article 1.
5. "Guardian" as defined in 9 A.A.C. 22, Article 1.
6. "Minor" as defined in 9 A.A.C. 22, Article 1.
7. "PAS" means preadmission screening which is the process of determining an individual's risk of institutionalization at a NF or ICF-MR level of care, as specified in Article 3 of this Chapter.
8. "PASARR" means preadmission screening and annual resident review which is the 2-step screening process for mental illness and mental retardation according to A.R.S. § 36-2936. The level I screening is utilized to identify potentially mentally ill (MI) or mentally retarded (MR) individuals prior to nursing facility admission. The level II screening is the portion of the process that is the in-depth assessment of potentially MI or MR individuals referred through the level I process and determines the appropriateness of nursing facility care and the need for special services for the MI or MR individual.
9. "Reassessment" means the process of redetermining PAS eligibility for ALTCS services on an annual or periodic basis, as appropriate, for all members and eligible persons.
10. "Spouse" as defined in 9 A.A.C. 22, Article 1.
11. "SSA" as defined in 9 A.A.C. 22, Article 1.
12. "SSI" as defined in 9 A.A.C. 22, Article 1.

R9-28-104. Eligibility and Enrollment-related Definitions
Definitions. In this Article:
1. "Categorically Eligible" as defined in A.R.S. § 36-2934(4)(b).
2. "County of fiscal responsibility" means the county that is financially responsible for the state's share of ALTCS funding.
3. "Designated representative" means an individual other than a spouse or a parent of a dependent child, who applies for ALTCS on behalf of another individual.
4. "Estate" has the same meaning as prescribed in A.R.S. § 14-1201.
5. "Institutionalized individual" as defined for the purposes of eligibility, means an individual who is in a medical institution or NF and receiving an appropriate level of care at a NF or at an ICF/MR or who receives, or will receive HCBS.
6. "Medically eligible" means meeting the ALTCS medical eligibility criteria according to Article 3.

R9-28-105. Program Contractor and Provider Standards-related Definitions
Definitions. In this Article:
1. "Certification" means a voluntary process by which a federal or state regulatory entity grants recognition to an individual, facility, or organization which has met certain prerequisite qualifications specified by that regulatory entity and which may assume or use the word "certified" in his, her, or its title or designation to perform prescribed health professional tasks.
2. "Comprehensive plan for delivery of services" means the plan which program contractors submit to the Director as prescribed in A.R.S. § 36-2940.
3. "Inspection of care" means an annual review of members and eligible persons residing in ICF-MRs, behavioral health residential treatment centers, inpatient psychiatric facilities for individuals under the age of 21, and IMDs to ensure appropriate placement, utilization, and quality of care.
4. "Quality management" as defined in 9 A.A.C. 22, Article 1.
5. "Utilization management" as defined in 9 A.A.C. 22, Article 1.

R9-28-106. Program Contracts and Procurement Process-related Definitions
Definitions. In this Article:
"RFP" means request for proposal as defined in 9 A.A.C. 22, Article 1.

R9-28-107. Standards for Payments-related Definitions
Definitions. In this Article:
1. "Aggregate" as defined in 9 A.A.C. 22, Article 1.
2. "Billed charges" as defined in 9 A.A.C. 22, Article 1.
3. "Capped fee-for-service" as defined in 9 A.A.C. 22, Article 1.
4. "Clean claim" as defined in 9 A.A.C. 22, Article 1.
5. "CPT" as defined in 9 A.A.C. 22, Article 1.

6. "Encounter" as defined in 9 A.A.C. 22, Article 1.
7. "Reinsurance" as defined in 9 A.A.C. 22, Article 1.

R9-28-108. Grievance and Appeal-related Definitions
Definitions. In this Article:

1. "AHCCCS hearing officer" as defined in 9 A.A.C. 22, Article 1.
2. "Appeal" as defined in 9 A.A.C. 22, Article 8.
3. "Grievance" as defined in 9 A.A.C. 22, Article 8.

R9-28-111. Behavioral Health Services-related Definitions
Definitions. In this Article:

"IMD" means an institution for mental disease as defined in 42 CFR 435.1009.